

**EOG Resources, Inc.**  
**P.O. 1910**  
**Vernal, UT 84078**

February 13, 2006

Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, UT 84114-5801


RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 1177-3  
NW/NW (Lot 4), SEC. 3, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0281  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Phone: (435)789-4120  
Fax: (435)789-1420

Sincerely,

  
Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

RECEIVED

FEB 23 2006

CWU 1177-3 B

DIV OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

**U-0281**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

**CHAPITA WELLS UNIT**

8. Lease Name and Well No.

**CHAPITA WELLS UNIT 1177-3**

9. API Well No.

**43047-37834**

10. Field and Pool, or Exploratory

**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 3, T9S, R22E,  
S.L.B.&M.**

12. County or Parish

**UINTAH**

13. State

**UTAH**

17. Spacing Unit dedicated to this well

20. BLM/BIA Bond No. on file

**NM-2308**

23. Estimated duration

**45 DAYS**

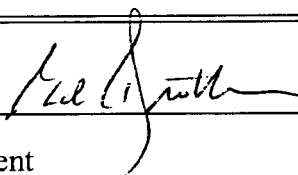
24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature



Name (Printed/Typed)

**Ed Trotter**

Date

**February 13, 2006**

Title

**Agent**

Approved by (Signature)



Name (Printed/Typed)

**BRADLEY G. HILL  
ENVIRONMENTAL MANAGER**

Date

**03-07-06**

Title

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

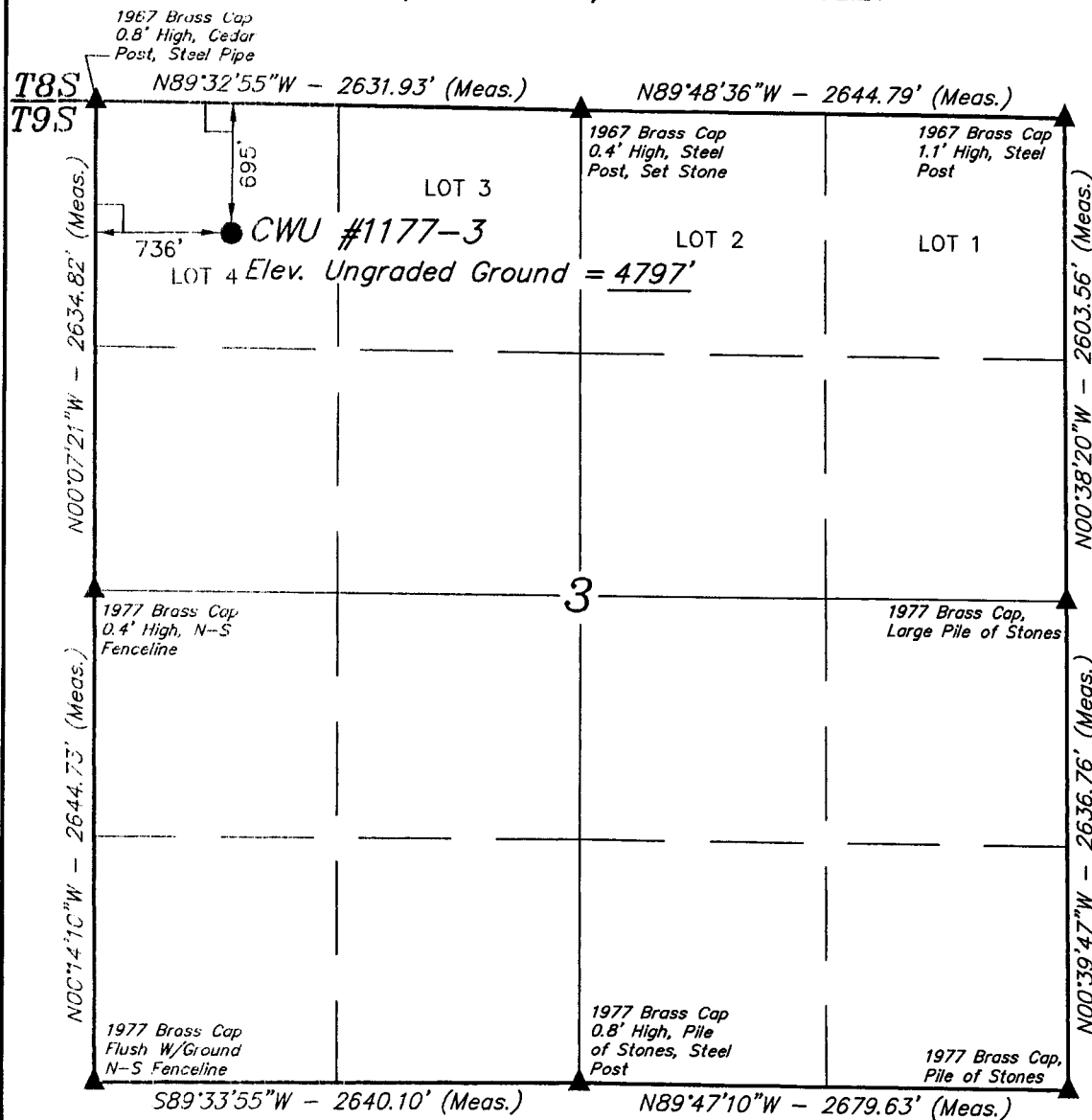
\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

**FEB 23 2006**

**DIV. OF OIL, GAS & MINING**

T9S, R22E, S.L.B.&M.



### BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)

LATITUDE = 40°04'13.29" (40.070358)

LONGITUDE = 109°25'58.70" (109.432972)

(NAD 27)

LATITUDE = 40°04'13.42" (40.070394)

LONGITUDE = 109°25'56.24" (109.432289)

### LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

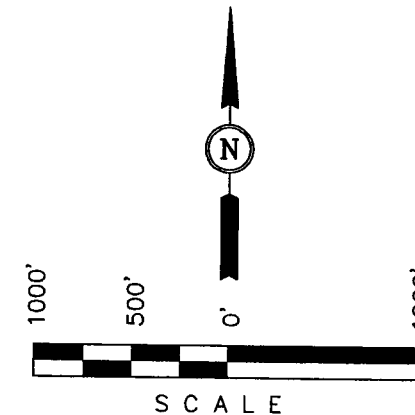
▲ = SECTION CORNERS LOCATED.

### EOG RESOURCES, INC.

Well location, CWU #1177-3, located as shown in the NW 1/4 NW 1/4 (LOT 4) of Section 3, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



### CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

101219  
ROBERT L. JONES  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 16119  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 12-19-05	DATE DRAWN: 12-20-05
PARTY J.R. N.G. L.K.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-3**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	2,116'
Wasatch	5,151'
Chapita Wells	5,772'
Buck Canyon	6,473'
North Horn	7,066'
Island	7,634'
KMV Price River	7,828'
KMV Price River Middle	8,564'
KMV Price River Lower	9,378'
Sego	9,936'

Estimated TD: 10,140' or 200'± below Sego top

**Anticipated BHP: 5,540 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<b>Conductor:</b>	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
<b>Surface</b>	12-1¼"	45' – 2,300'KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
<b>Production:</b>	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-3**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length.

Due to reduce location excavation, the blooie line will be approximately 75' in length

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk.. 5.2 gps water.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-3**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** 165 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 950 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

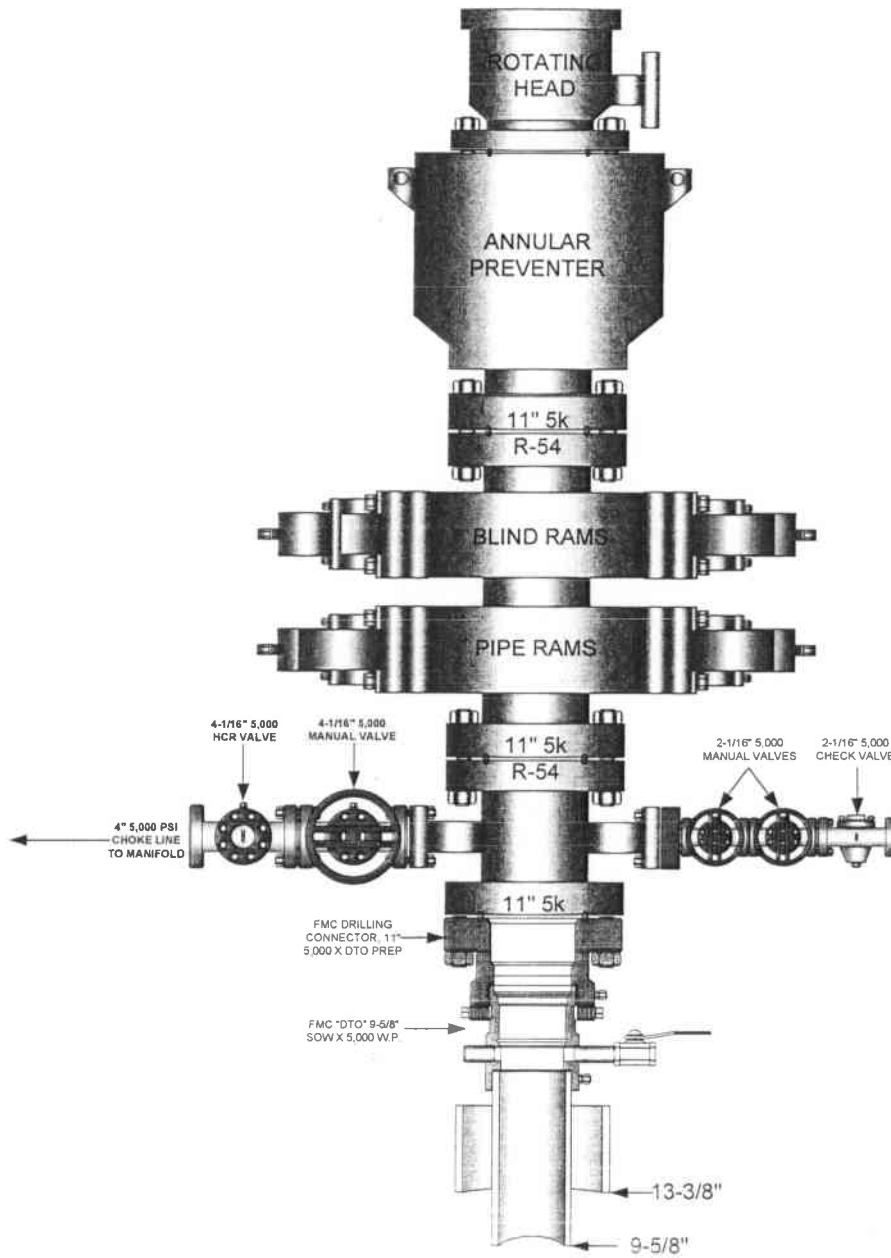
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

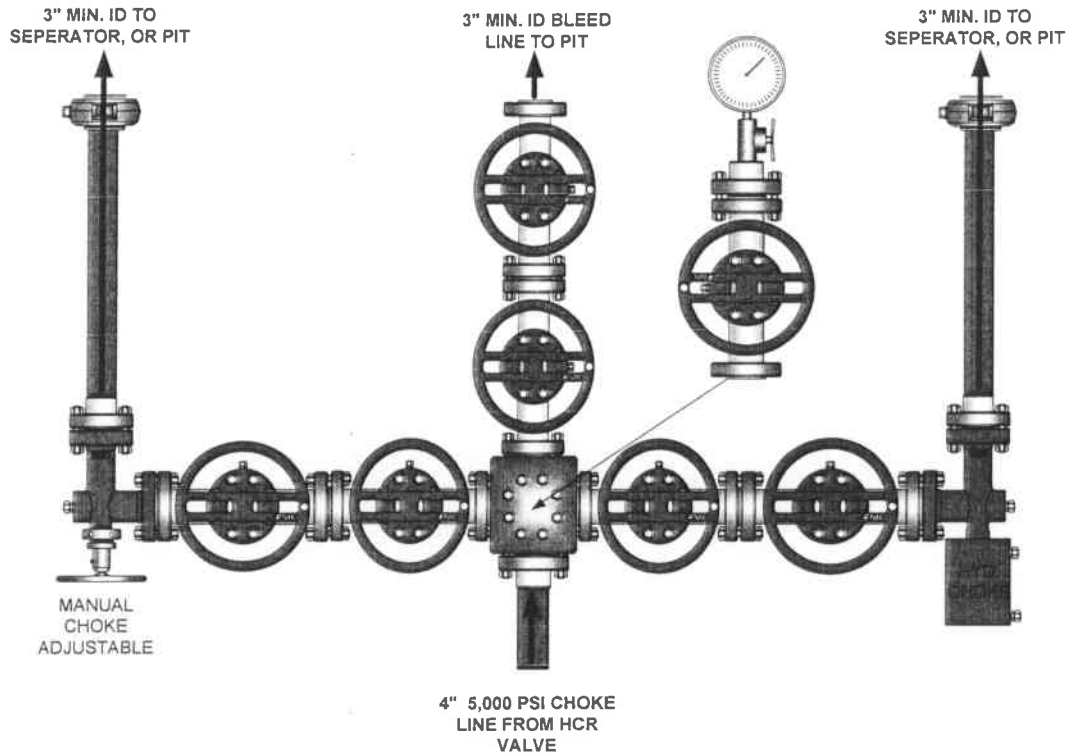
EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**CONDITIONS OF APPROVAL  
FOR THE SURFACE USE PROGRAM OF THE  
APPLICATION FOR PERMIT TO DRILL**

Company/Operator:	<u>EOG Resources, Inc.</u>
Well Name & Number:	<u>Chapita Wells Unit 1177-3</u>
Lease Number:	<u>U-0281</u>
Location:	<u>695' FNL &amp; 736' FWL, NW/NW (Lot 4), Sec. 3, T9S, R22E, S.L.B.&amp;M., Uintah County, Utah</u>
Surface Ownership:	<u>Federal</u>

**NOTIFICATION REQUIREMENTS**

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and  
Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related  
Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production  
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 16.4 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. **Culverts will be installed as needed in the access road. Two 18" CMPs will be installed in the low area East of the location and one 24" culvert will be installed at the main road approach.** No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. **LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION**

A. Abandoned wells - 2\*

B. Producing wells - 41\*

(\*See attached TOPO map "C" for location)

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 1680' from proposed location to a point in the NE/NW (Lot 3) of Section 3, T9S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective.

earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

#### **5. LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

#### **6. SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

#### **7. METHODS OF HANDLING WASTE DISPOSAL**

##### **A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural

Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

**The reserve pit shall be lined with felt and a 12 mill plastic liner.**

**8. ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

**9. WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved interim seed mixture for this location is:  
Needle and Thread Grass – 6 pounds per acre  
Hi-Crest Crested Wheat Grass – 6 pounds per acre.

The final abandonment seed mixture for this location is:

Four-Wing Salt Bush – 3 pounds per acre  
Indian Rice Grass – 2 pounds per acre  
Needle and Thread Grass – 2 pounds per acre  
Hi-Crest Crested Wheat Grass – 1 pound per acre.

The reserve pit will be located on the Southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the West side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil. The stockpiled location topsoil will be stored between Corners #5 and #6, as well as between Corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northeast.

### **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## 10. PLANS FOR RESTORATION OF SURFACE

### A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

### B. DRY HOLE/ABANDONED LOCATION

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

## 11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

## 12. OTHER INFORMATION

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

**Culverts will be installed as needed in the access road. Two 18" CMPs will be installed in the low area East of the location and one 24" culvert will be installed at the main road approach.**

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

Ed Trotter  
P.O. Box 1910  
Vernal, UT 84078  
Telephone: (435)789-4120  
Fax: (435)789-1420

**DRILLING OPERATIONS**

Donald Presenkowski  
EOG Resources, Inc.  
P.O. Box 250  
Big Piney, WY 83113  
Telephone: (307)276-4865



All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

**Certification**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1177-3 Well, located in the NW/NW (Lot 4) of Section 3, T9S, R22E, Uintah County, Utah; Lease #U-0281;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

2-13-2006  
Date

  
Agent

**Request for Exception to Buried Pipeline Requirement  
For the Chapita Wells Unit 1177-3  
NW/NW (Lot 4), Sec. 3, T9S, R22E  
Lease Number U-0281**

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 1.93 acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.  
CWU #1177-3  
SECTION 3, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY, THEN NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.4 MILES.

# EOG RESOURCES, INC.

CWU #1177-3

LOCATED IN UTAH COUNTY, UTAH  
SECTION 3, T9S, R22E, S.L.B.&M.

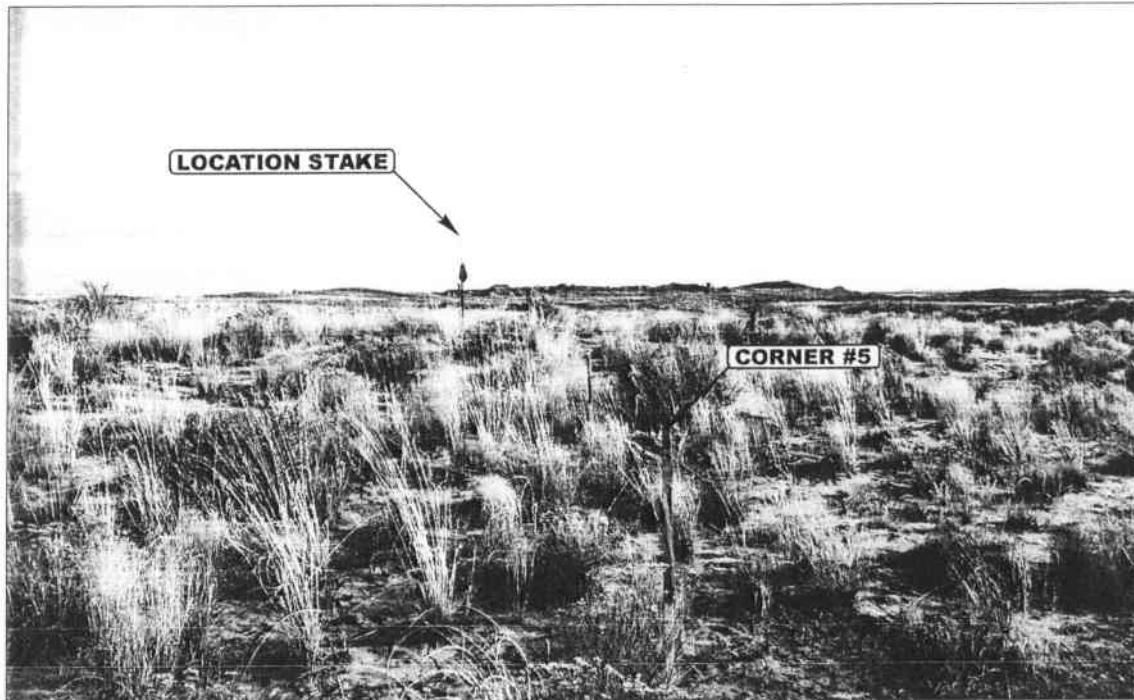


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

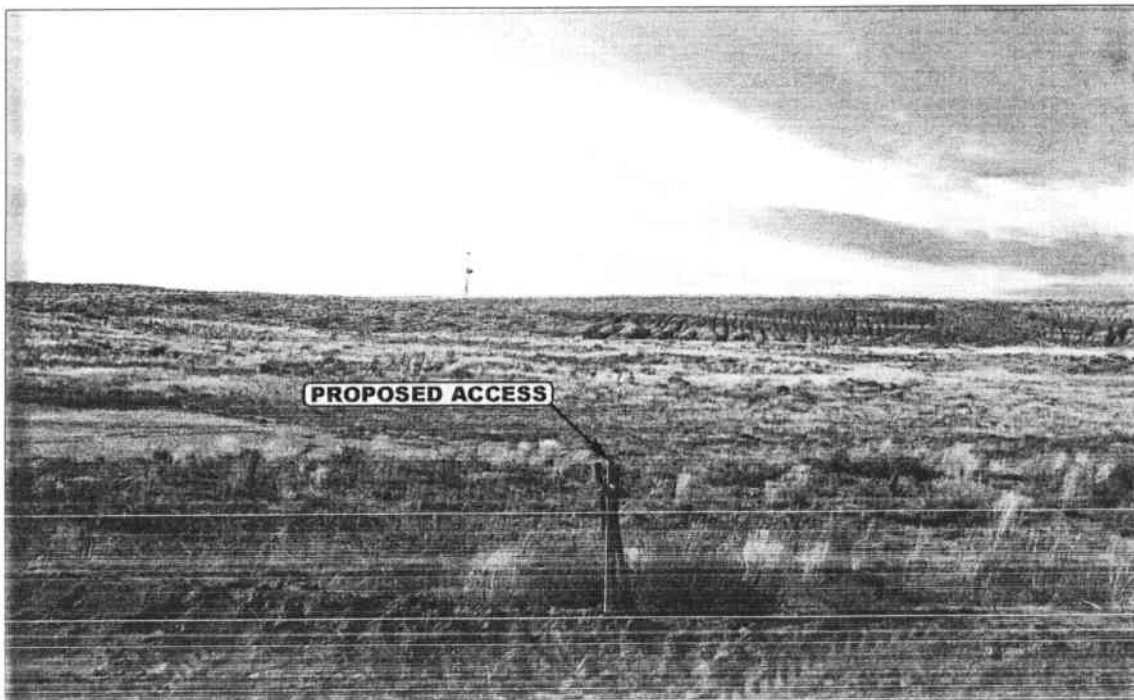


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**E&LS**

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 04 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: B.C.

REVISED: 00-00-00

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

CWU #1177-3

SECTION 3, T9S, R22E, S.L.B.&M.

695' FNL 736' FWL

Approx.  
Toe of  
Fill Slope

Proposed Access  
Road

F-0.4'  
El. 92.8'

Sta. 3+25

SCALE: 1" = 50'

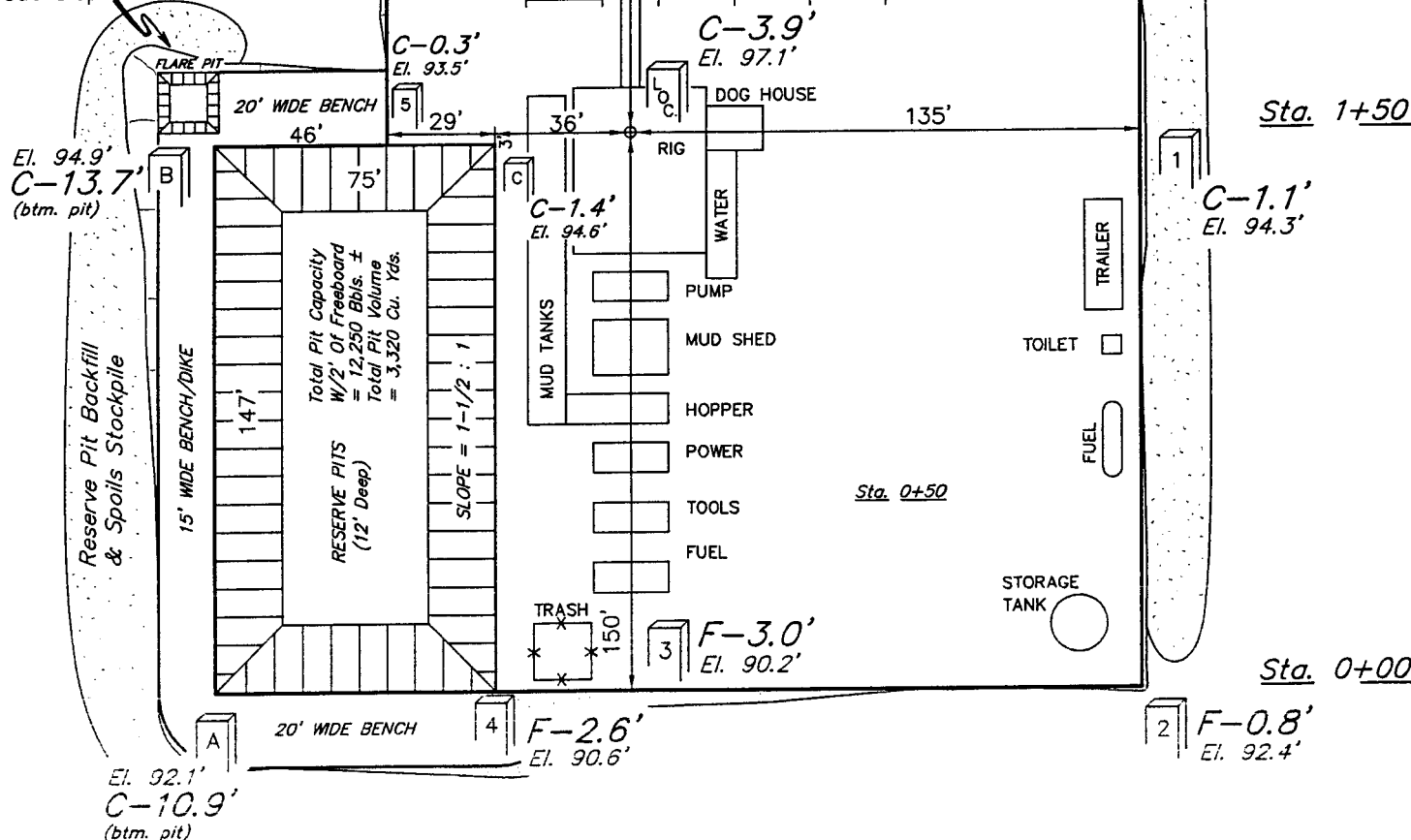
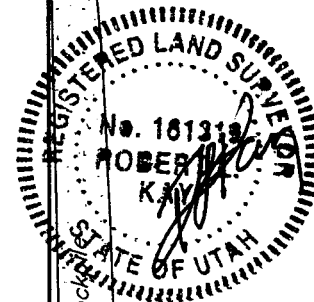
DATE: 12-20-05

Drawn By: L.K.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

Approx.  
Top of  
Cut Slope



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4797.1'

FINISHED GRADE ELEV. AT LOC. STAKE = 4793.2'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# EOG RESOURCES, INC.

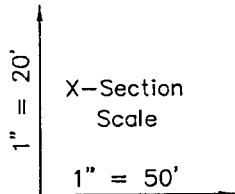
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

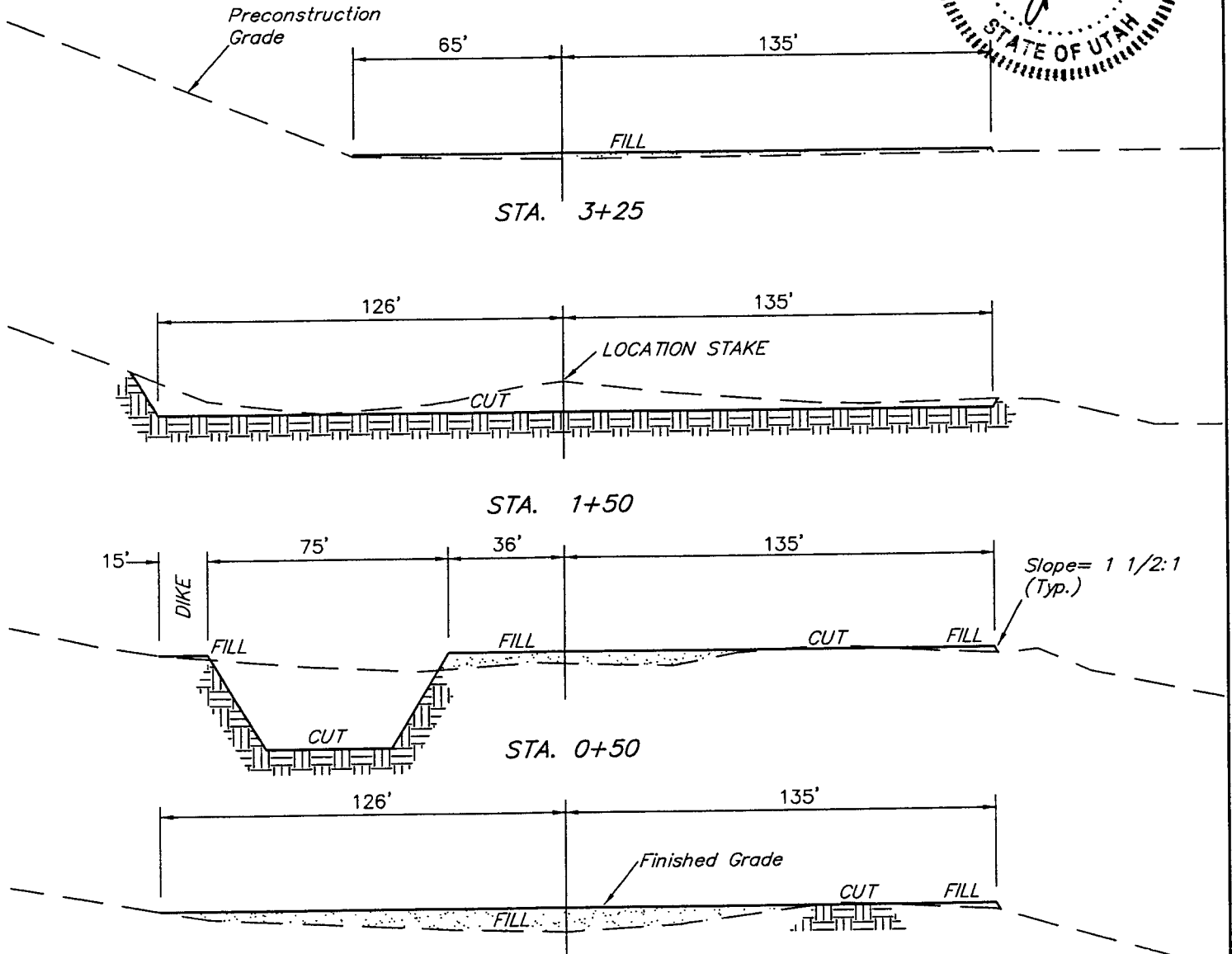
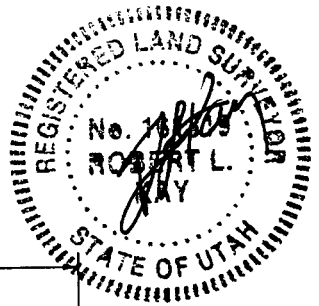
CWU #1177-3

SECTION 3, T9S, R22E, S.L.B.&M.

695' FNL 736' FWL



DATE: 12-20-05  
Drawn By: L.K.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### \* NOTE:

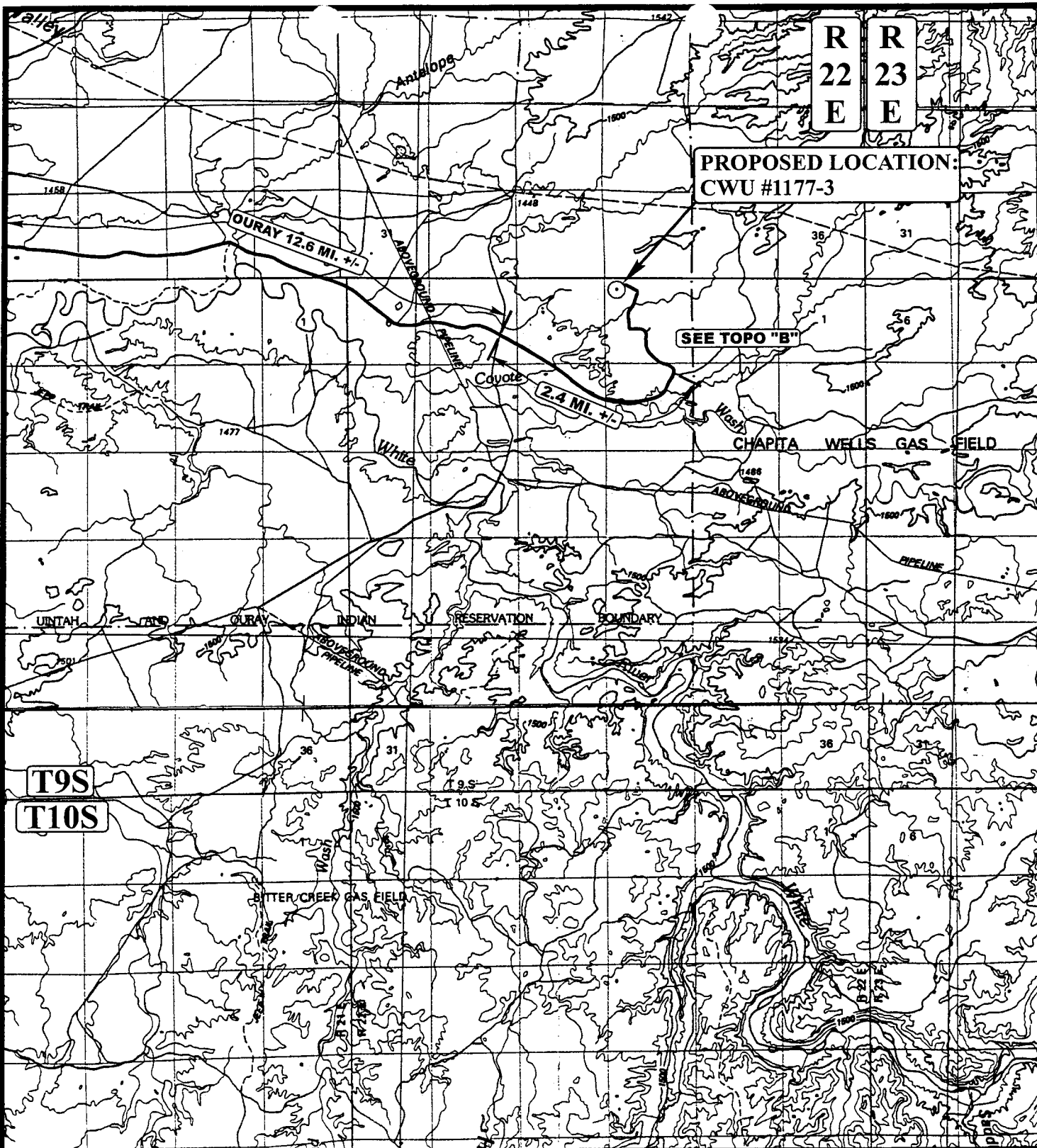
FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,510 Cu. Yds.
Remaining Location	= 3,890 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 5,400 CU.YDS.</b>
<b>FILL</b>	<b>= 2,230 CU.YDS.</b>

EXCESS MATERIAL	= 3,170 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,170 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



**PROPOSED LOCATION:**  
CWU #1177-3

SEE TOPO "B"

CHAPITA WELLS GAS FIELD

T9S

T10S

# **LEGEND:**

○ PROPOSED LOCATION

**EOG RESOURCES, INC.**

CWU #1177-3

SECTION 3, T9S, R22E, S.L.B.&M.

695' FNL 736' FWL



Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
MAP

01 04 06  
MONTH DAY YEAR

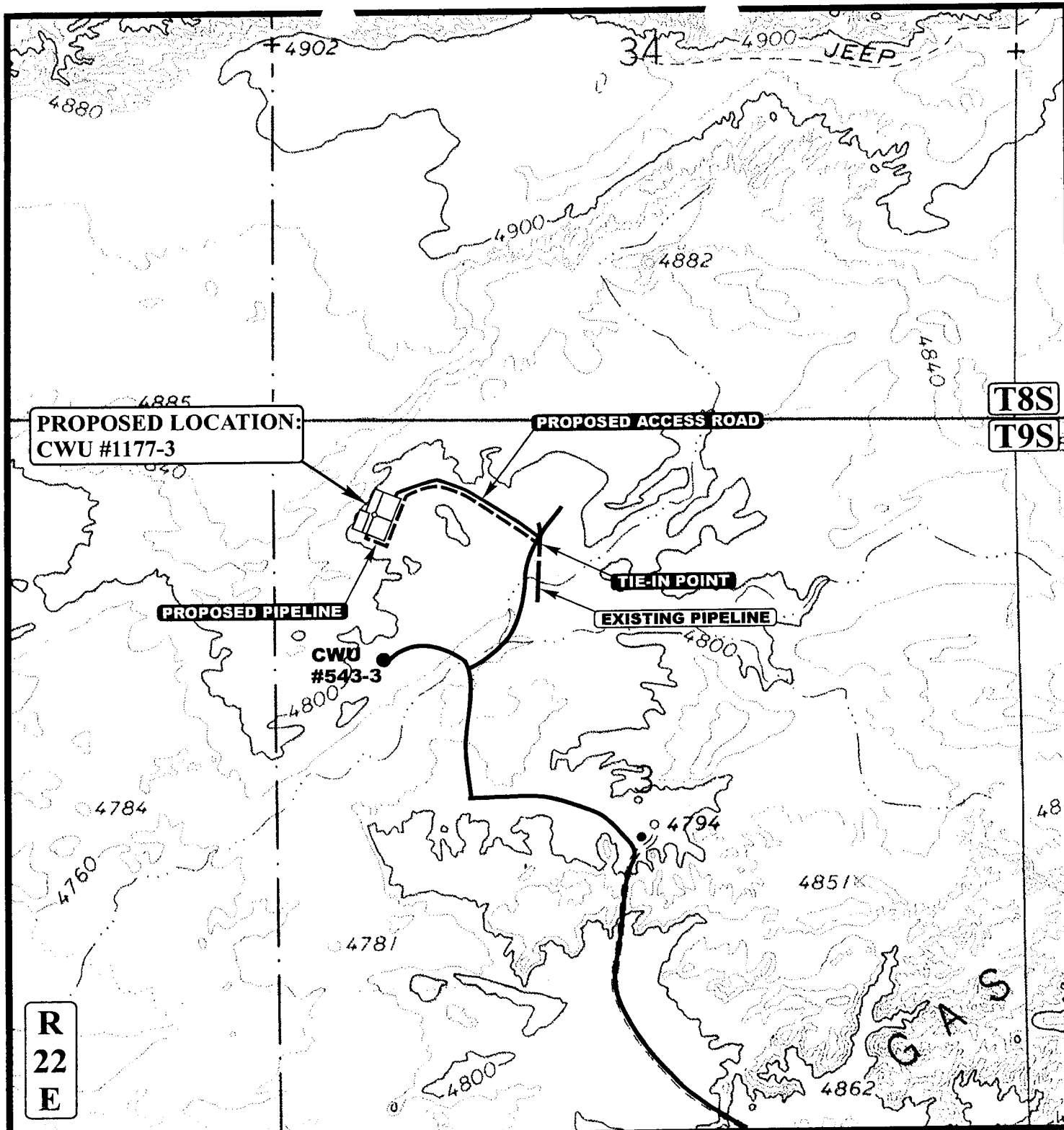
SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 00-00-00














APPROXIMATE TOTAL PIPELINE DISTANCE = 1680' +/-

# LEGEND:

 PROPOSED ACCESS ROAD  
 EXISTING PIPELINE  
 PROPOSED PIPELINE

EOG RESOURCES, INC.

CWU #1177-3

SECTION 3, T9S, R22E, S.L.B.&M.

695' FNL 736' FWL



Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC  
 MAP

01 04 06  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 00-00-00

D  
 TOPO

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2006

API NO. ASSIGNED: 43-047-37834

WELL NAME: CWU 1177-3

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWNW 03 090S 220E

SURFACE: 0695 FNL 0736 FWL

BOTTOM: 0695 FNL 0736 FWL

COUNTY: UINTAH

LATITUDE: 40.07036 LONGITUDE: -109.4323

UTM SURF EASTINGS: 633687 NORTHINGS: 4436534

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review

Initials

Date

Engineering

Geology

Surface

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit  
(No. 49-1501 )

☒ RDCC Review (Y/N)  
(Date: )

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

R649-2-3.

Unit: CHAPITA WELLS

R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 179-8

Eff Date: 8-10-99

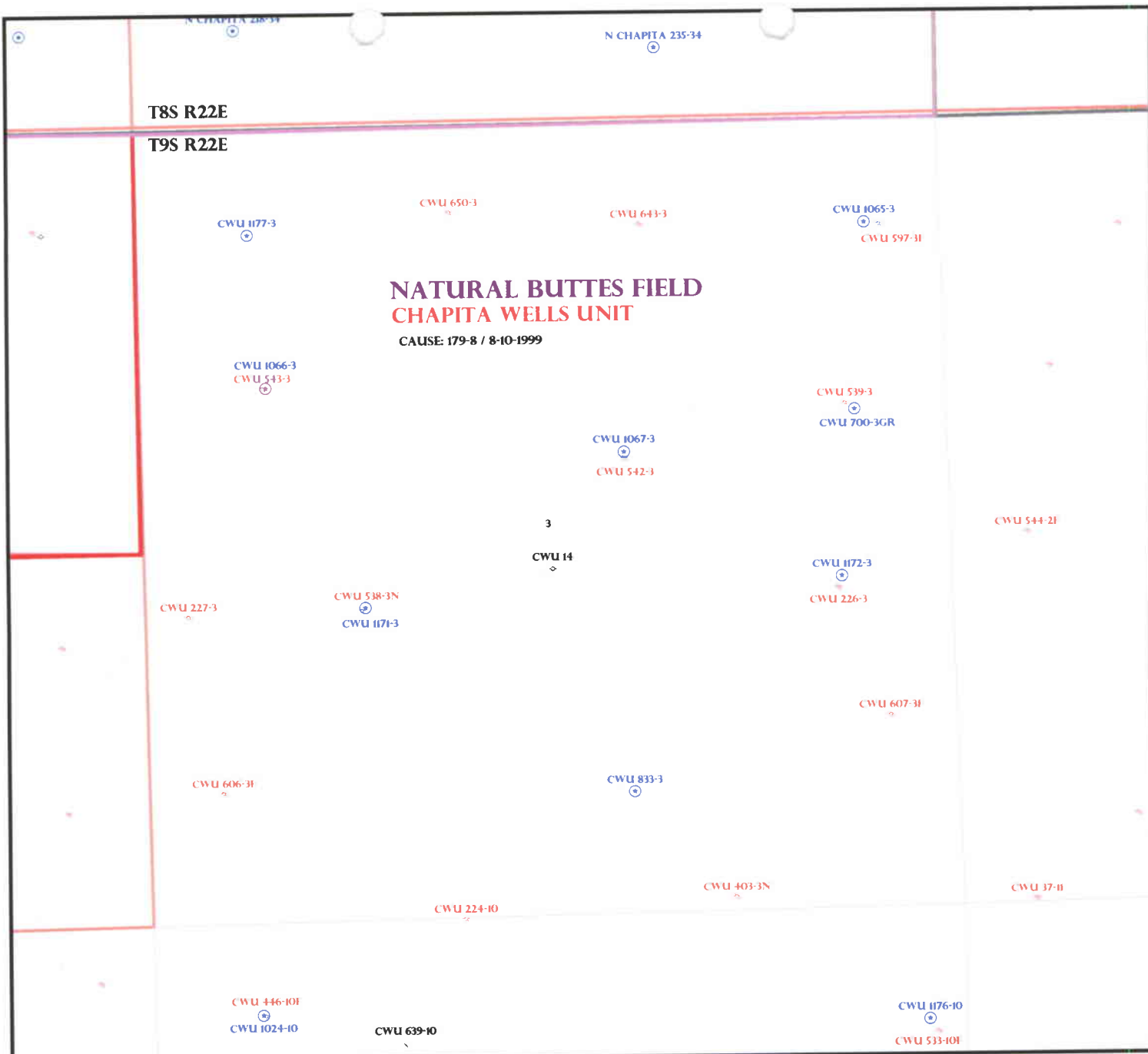
Siting: Suspended General Siting

R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1- Federal Approval  
2- Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 3 T. 9S R. 22E

FIELD: NATURAL BUTTES (630)

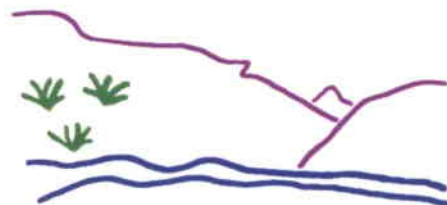
COUNTY: UINTAH

CAUSE: 179-8 / 8-10-1999

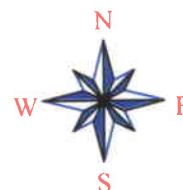
**Field Status**  
 [Black Box] ABANDONED  
 [Purple Box] ACTIVE  
 [Pink Box] COMBINED  
 [Light Purple Box] INACTIVE  
 [Blue Box] PROPOSED  
 [Orange Box] STORAGE  
 [White Box] TERMINATED

**Unit Status**  
 [White Box] EXPLORATORY  
 [Light Blue Box] GAS STORAGE  
 [Light Blue Box] NF PP OIL  
 [Light Blue Box] NF SECONDARY  
 [Light Blue Box] PENDING  
 [Green Box] PI OIL  
 [Red Box] PP GAS  
 [Red Box] PP GEOTHEML  
 [Green Box] PP OIL  
 [Blue Box] SECONDARY  
 [White Box] TERMINATED

**Wells Status**  
 [Star] GAS INJECTION  
 [Star] GAS STORAGE  
 [X] LOCATION ABANDONED  
 [Circle] NEW LOCATION  
 [Diamond] PLUGGED & ABANDONED  
 [Star] PRODUCING GAS  
 [Star] PRODUCING OIL  
 [Star] SHUT-IN GAS  
 [Star] SHUT-IN OIL  
 [X] TEMP. ABANDONED  
 [Circle] TEST WELL  
 [Triangle] WATER INJECTION  
 [Triangle] WATER SUPPLY  
 [Triangle] WATER DISPOSAL  
 [Circle] DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
 DATE: 02-MARCH-2006

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

March 6, 2006

### Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Chapita Wells Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch)		
43-047-37859	CWU 704-29 Sec 29 T09S R23E 0780	FSL 2122 FEL
(Proposed PZ Price River)		
43-047-37833	CWU 1019-15 Sec 15 T09S R22E 1009	FSL 0895 FEL
43-047-37839	CWU 1021-15 Sec 15 T09S R22E 1463	FNL 0350 FEL
43-047-37840	CWU 1022-15 Sec 15 T09S R22E 0954	FNL 1936 FEL
43-047-37841	CWU 988-15 Sec 15 T09S R22E 0400	FNL 1024 FEL
43-047-37842	CWU 1160-22 Sec 22 T09S R22E 0633	FSL 0253 FWL
43-047-37843	CWU 1162-22 Sec 22 T09S R22E 1164	FSL 2082 FEL
43-047-37844	CWU 923-23 Sec 23 T09S R22E 1632	FSL 0877 FWL
43-047-37845	CWU 924-23 Sec 23 T09S R22E 1812	FSL 2032 FEL
43-047-37846	CWU 919-23 Sec 23 T09S R22E 0211	FNL 2305 FEL
43-047-37847	CWU 927-24 Sec 24 T09S R22E 2080	FSL 0347 FWL
43-047-37848	CWU 930-24 Sec 24 T09S R22E 0852	FSL 0741 FEL
43-047-37849	CWU 509-25F Sec 25 T09S R22E 2007	FNL 2050 FWL
43-047-37850	CWU 508-25F Sec 25 T09S R22E 0666	FNL 0825 FWL
43-047-37851	CWU 1159-26 Sec 26 T09S R22E 1203	FNL 1736 FEL
43-047-37852	CWU 1158-26 Sec 26 T09S R22E 1224	FNL 2315 FWL
43-047-37838	CWU 1172-03 Sec 03 T09S R22E 2197	FSL 0715 FEL
43-047-37834	CWU 1177-03 Sec 03 T09S R22E 0695	FNL 0736 FWL
43-047-37858	CWU 943-29 Sec 29 T09S R23E 2107	FSL 1936 FEL

Page 2

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

March 7, 2006

EOG Resources, Inc.  
P O Box 1815  
Vernal, UT 84078

Re: Chapita Wells Unit 1177-3 Well, 695' FNL, 736' FWL, NW NW, Sec. 3,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37834.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

**Operator:** EOG Resources, Inc.  
**Well Name & Number** Chapita Wells Unit 1177-3  
**API Number:** 43-047-37834  
**Lease:** U-0281

**Location:** NW NW                      **Sec.** 3                      **T.** 9 South                      **R.** 22 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



RECEIVED  
FEB 12 2006

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator  
**EOG RESOURCES, INC.**

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**

3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)

At surface **695' FNL, 736' FWL**  
At proposed prod. Zone

**NW/NW (Lot 4)**

14. Distance in miles and direction from nearest town or post office\*  
**16.4 MILES SOUTHEAST OF OURAY, UTAH**

15. Distance from proposed\*  
location to nearest  
property or lease line, ft. **695'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**2558**

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth  
**10,140'**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4793.2 FEET GRADED GROUND**

22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**45 DAYS**

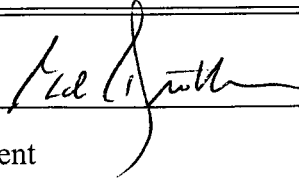
24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

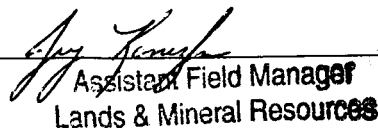


Name (Printed/Typed)  
**Ed Trotter**

Date  
**February 13, 2006**

Title  
**Agent**

Approved by (Signature)

  
**Assistant Field Manager  
Lands & Mineral Resources**

Name (Printed/Typed)

**Jerry Kewala**  
Office

Date

**9-8-2006**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would be required to conduct operations thereon.  
Conditions of Approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED**

DIV. OF OIL, GAS & MINING

SEP 15 2006

RECEIVED



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE



170 South 500 East

VERNAL, UT 84078

(435) 781-4400

**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

<b>Company:</b>	<b>EOG Resources</b>	<b>Location:</b>	<b>Lot 4, Sec. 3, T9S, R22E</b>
<b>Well No:</b>	<b>CWU 1177-3</b>	<b>Lease No:</b>	<b>UTU-0281</b>
<b>API No:</b>	<b>43-047-37834</b>	<b>Agreement:</b>	<b>Chapita Wells Unit</b>

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
Natural Resource Specialist:	Chris Carusona	Office: 435-781-4441	
Natural Resource Specialist:	Scott Ackerman	Office: 435-781-4437	
<b>After Hours Contact Number: 435-781-4513</b>		<b>Fax: 435-781-4410</b>	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

- |                                                         |                                                                                                                                               |
|---------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Location Construction<br>(Notify Paul Buhler)           | - Forty-Eight (48) hours prior to construction of location and access roads.                                                                  |
| Location Completion<br>(Notify Paul Buhler)             | - Prior to moving on the drilling rig.                                                                                                        |
| Spud Notice<br>(Notify Petroleum Engineer)              | - Twenty-Four (24) hours prior to spudding the well.                                                                                          |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings                                                             |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - Twenty-Four (24) hours prior to initiating pressure tests                                                                                   |
| First Production Notice<br>(Notify Petroleum Engineer)  | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days |

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- Conditions for Approval are in the APD
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- During interim management of the surface, use the following seed mix:
  - 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

## **DOWNHOLE CONDITIONS OF APPROVAL**

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- Production casing cement shall be brought up and into the 9 5/8" intermediate casing. No excess volume information stated in application. To reach near the surface, operator is required to pump additional cement beyond the stated amounts of sacks in application.
- A cement Bond Log (CBL) shall be run from the production casing shoe to the intermediate casing shoe.

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all

other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0281
2. NAME OF OPERATOR: EOG Resources, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N Denver CO 80202		7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit
PHONE NUMBER: (303) 824-5526		8. WELL NAME and NUMBER: Chapita Wells Unit 1177-3
4. LOCATION OF WELL FOOTAGES AT SURFACE: 695' FNL & 736' FWL 40.070358 LAT 109.432972 LON COUNTY: Uintah		9. API NUMBER: 43-047-37834
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 3 9S 22E S STATE: UTAH		10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD Extension</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 02-26-07  
By: [Signature]

2-28-07  
RM

NAME (PLEASE PRINT) <u>Mary A. Maestas</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>Mary A. Maestas</u>	DATE <u>2/23/2007</u>

(This space for State use only)

RECEIVED

FEB 26 2007

DIV. OF OIL, GAS & MINING



**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-37834  
**Well Name:** Chapita Wells Unit 1177-3  
**Location:** 695 FNL 736 FWL (NWNW) SECTION 3, T9S, R22E, S.L.B.&M.  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 3/7/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Mary A. Maier  
Signature

2/23/2007  
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

FEB 26 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

SEP 07 2007

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

BLM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES INC Contact: KAYLENE GARDNER E-Mail: kaylene_gardner@eogresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435.781.9111	7. If Unit or CA/Agreement, Name and/or No. UTU63013Y
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T9S R22E Lot 4 695FNL 736FWL		8. Well Name and No. CWU 1177-3
		9. API Well No. 43-047-37834-00-X1
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

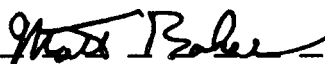
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. respectfully requests the APD for the referenced well originally approved 9/8/2007 be extended for one year.

## CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #56283 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal Committed to AFMSS for processing by GAIL JENKINS on 09/07/2007 (07GXJ5525SE)</b>	
Name (Printed/Typed) KAYLENE R GARDNER	Title REGULATORY ASSISTANT
Signature (Electronic Submission)	Date 09/07/2007

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title <b>Petroleum Engineer</b> SEP 11 2007
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UDOGN

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

RECEIVED

OCT 09 2007

OIL, GAS &amp; MINING

**Revisions to Operator-Submitted EC Data for Sundry Notice #56283**

	<b>Operator Submitted</b>	<b>BLM Revised (AFMSS)</b>
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU0281	UTU0281
Agreement:	CHAPITA WELLS UNI	UTU63013Y
Operator:	EOG RESOURCES, INC 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111	EOG RESOURCES INC 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435.781.9111
Admin Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com  Ph: 435-781-9111	KAYLENE GARDNER LEAD REGULATORY ASST E-Mail: kaylene_gardner@eogresources.com  Ph: 435.781.9111
Tech Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com  Ph: 435-781-9111	KAYLENE R GARDNER REGULATORY ASSISTANT E-Mail: kaylene_gardner@eogresources.com  Ph: 307.276.3331 Ext: 4842
Location:		
State:	UT	UT
County:	UINTAH	UINTAH
Field/Pool:	NATURAL BUTTES	NATURAL BUTTES
Well/Facility:	CHAPITA WELLS UNIT 1177-3 Sec 3 T9S R22E NWNW 695FNL 736FWL 40.07036 N Lat, 109.43297 W Lon	CWU 1177-3 Sec 3 T9S R22E Lot 4 695FNL 736FWL

# **CONDITIONS OF APPROVAL**

## **EOG Resources Inc.**

### **Notice of Intent APD Extension**

**Lease:** UTU-0281  
**Well:** CWU 1177-3  
**Location:** Lot 4 Sec 3-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 9/08/08
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202 Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37834	Chapita Wells Unit 1177-03		NWNW	3	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>KB</i>	99999	<i>14473</i>	11/23/2007		<i>11/29/07</i>		
Comments: <i>PRRV=mVRD</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38147	East Chapita 13-23		SWSW	23	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>16527</i>	11/24/2007		<i>11/29/07</i>		
Comments: <i>PRRV=mVRD</i>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38674	Hoss 13-31		SENE	31	8S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>KB</i>	99999	<i>10960</i>	11/25/2007		<i>11/29/07</i>		
Comments: <i>WSMVD</i>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mary A. Maestas

Name (Please Print)

*Mary A. Maestas*

Signature

Regulatory Assistant

11/27/2007

Title

Date

**RECEIVED**

**NOV 27 2007**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES INC Contact: MARY A MAESTAS E-Mail: mary_maestas@eogresources.com		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T9S R22E NWNW 695FNL 736FWL 40.07036 N Lat, 109.43297 W Lon		8. Well Name and No. CHAPITA WELLS UNIT 1177-03
		9. API Well No. 43-047-37834
		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
		11. County or Parish, and State UINTAH COUNTY, UT

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests permission to change the drilling plan for the referenced well. An 8-3/4" bit will be used for drilling instead of a 7-7/8" bit. A revised drilling plan is attached.

COPY SENT TO OPERATOR  
Date: 1-9-2008  
Initials: KS

RECEIVED

JAN 04 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #57785 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal</b>	
Name (Printed/Typed) MARY A MAESTAS	Title REGULATORY ASSISTANT
Signature <i>Mary A Maestas</i> Electronic Submission	Date 12/31/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Accepted by the Utah Division of Oil, Gas and Mining 1/8/08	Federal Approval Of This Action Is Necessary
-------------------	----------------------------------------------------------------------	-------------------------------------------------

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1177-03 NW/NW, SEC. 3, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	2,116		Shale	
Wasatch	5,151	Primary	Sandstone	Gas
Chapita Wells	5,772	Primary	Sandstone	Gas
Buck Canyon	6,473	Primary	Sandstone	Gas
North Horn	7,066	Primary	Sandstone	Gas
KMV Price River	7,828	Primary	Sandstone	Gas
KMV Price River Middle	8,564	Primary	Sandstone	Gas
KMV Price River Lower	9,378	Primary	Sandstone	Gas
Sego	9,936		Sandstone	
TD	10,140			

Estimated TD: 10,140' or 200'± below TD

Anticipated BHP: 5,540 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0' – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	8-3/4"	Surface – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-03**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length



**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-03**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:** 165 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 950 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1177-03**  
**NW/NW, SEC. 3, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

5. Lease Serial No.  
UTU0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS UNI

8. Well Name and No.  
CHAPITA WELLS UNIT 1177-03

9. API Well No.  
43-047-37834

10. Field and Pool, or Exploratory  
NATURAL BUTTES/MESAVERDE

11. County or Parish, and State  
UINTAH COUNTY, UT

1. Type of Well  
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator  
EOG RESOURCES INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 80202

3b. Phone No. (include area code)  
Ph: 303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 3 T9S R22E NWNW 695FNL 736FWL  
40.07036 N Lat, 109.43297 W Lon

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 3/10/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #59064 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

*Mary A. Maestas*

Date 03/12/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**RECEIVED**

**MAR 13 2008**

**DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 03-12-2008

<b>Well Name</b>	CWU 1177-03	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-37834	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	01-06-2008	<b>Class Date</b>	03-10-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,140/ 10,140	<b>Property #</b>	058343
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,810/ 4,793				
<b>Location</b>	Section 3, T9S, R22E, NWNW, 695 FNL & 736 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	82.25

<b>AFE No</b>	303872	<b>AFE Total</b>	2,069,400	<b>DHC / CWC</b>	1,078,900/ 990,500
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #9	<b>Start Date</b>	04-25-2006
<b>04-25-2006</b>	<b>Reported By</b>	SHARON WHITLOCK			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA:
			695' FNL & 736' FWL (NW/NW)
			SECTION 3, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.070358, LONG 109.432972 (NAD 83)
			LAT 40.070394, LONG 109.432289 (NAD 27)
			TRUE #9
			OBJECTIVE: 10,140' TD MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0281
			ELEVATION: 4797.1' NAT GL, 4793.2' PREP GL (DUE TO ROUNDING 4793' IS THE PREP GL), 4810' KB (17')
			EOG BPO WI 100%, NRI 82.25%
			EOG APO WI 50%, NRI 43.5%

<b>11-15-2007</b>	<b>Reported By</b>	TERRY CSERE
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<b>Daily Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

11-16-2007 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING ON LOCATION.

11-19-2007 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 75% COMPLETE.

11-20-2007 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE MONDAY.

11-21-2007 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

11-26-2007 Reported By TERRY CSERE/JERRY BARNES

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION/NO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 11/23/07 @ 4:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM & MICHAEL LEE W/BLM OF THE SPUD 11/23/07 @ 3:00 PM.

**12-05-2007** **Reported By** JERRY BARNES

<b>Daily Costs: Drilling</b>	\$202,879	<b>Completion</b>	\$0	<b>Daily Total</b>	\$202,879
<b>Cum Costs: Drilling</b>	\$240,879	<b>Completion</b>	\$0	<b>Well Total</b>	\$240,879
<b>MD</b>	2,525	<b>TVD</b>	2,525	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0

**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU PRO PETRO AIR RIG #9 ON 11/25/2007. DRILLED 12-1/4" HOLE TO 2550' GL. ENCOUNTERED NO WATER. RAN 58 JTS (2508.30') OF 9-5/8", 36.0#/ FT, J-55, ST&C CASING WITH TOP-CO GUIDE SHOE & FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2525' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 185 BBLs OF FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 230 SX (156 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3 % SALT, & 1/4 #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (42 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.8 W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/190.5 BBLs FRESH WATER. BUMPED PLUG W/800 # @ 8:38 AM, 11/28/2007. CHECKED FLOAT, FLOAT HELD. BROKE CIRCULATION 60 BBLs INTO LEAD CEMENT. CIRCULATED 20.5 BBLs LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (30 BBLs) OF PREMIUM CEMENT W/4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED 3 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS 10 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/4% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2290'. PICKED UP TO 2270' & TOOK SURVEY. 1 DEGREE.

DALL COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 11/25/2007 @ 9:30 AM.

**12-31-2007** **Reported By** PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$40,732	<b>Completion</b>	\$0	<b>Daily Total</b>	\$40,732
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**Cum Costs: Drilling** \$281,611      **Completion** \$0      **Well Total** \$281,611  
**MD** 2,525    **TVD** 2,525    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** RURT / ASSESS SUB DAMAGE.

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU/RDMO. SAFTY MEETING. ALL RIG OFF LOCATION CWU,1028-09.
18:00	06:00	12.0	WAIT ON DAYLITE TO ASSESS DAMAGE TO SUB-STRUCTURE. SAFTY MEETING W/ WESROCK & TRUE. ON RIG MOVE. ICE COND. RIG MOVE 3 MILES. 0% RIG UP. 3 CREWS . 2 CREWS FULL. 1 CREW SHORT 1 MAN. TOTAL 14 MEN. WORKED 12 HRS. NO ACCIDENTS. 1 INCIDENT. ( LOADING SUB. SUB SLIPPED ABOUT 6" AND HIT TAIL ROLL PIN & TURNED SUB ON IT SIDE. TRUE PERSNAL WILL BE HERE TO DAY TO LOOK @ SUB.

**01-01-2008**      **Reported By**      PINK CHIVERS

**DailyCosts: Drilling** \$16,674      **Completion** \$0      **Daily Total** \$16,674  
**Cum Costs: Drilling** \$298,285      **Completion** \$0      **Well Total** \$298,285  
**MD** 2,525    **TVD** 2,525    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** RIG REPAIR

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG REPAIR ( REPAIR SIDE OF SUB & DOG HOUSE BRACES).
18:00	06:00	12.0	WAIT ON DAYLITE. RIG BUILDER SHOW UP @ 11:30 TO INSPECT SUB SAID IT WAS OK. 2 WELDERS WORKING ON DOG HOUSE LANDING & BRACES. (ABOUT 3 DAYS TO REPAIR.) SAFTY MEETING W/ WESROCK & CREW. OVER HEAD PICK UP. STANDING BEHIND LOADS. CRANE SWING. ICY CONDITIONS. FUEL 6369. USED 500. NO ACCIDENT OR INCIDENTS REPORTED. 9 HANDS WORK 12 HRS. 1CREW SHORT 1 HAND 5% RIGED UP.

**01-02-2008**      **Reported By**      PINK CHIVERS

**DailyCosts: Drilling** \$17,042      **Completion** \$0      **Daily Total** \$17,042  
**Cum Costs: Drilling** \$315,327      **Completion** \$0      **Well Total** \$315,327  
**MD** 2,525    **TVD** 2,525    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** REPAIR SUBSTRUCTURE

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG REPAIR ( BUILD NEW BRACES FOR DOG HOUSE LANDING & SUB.)
18:00	06:00	12.0	WAIT ON DAYLITE. SAFETY MEETING W/ WELDERS & CREWS. CUTING & GRINDING. FIRES. 4 WELDERS WORKED 10 HR. FUEL 5744. USED. 625 NO ACCIDENT OR INCIDENTS REPORTED.

2 CREWS. 9 HANDS WORK 12 HRS. SHORT 1 HAND.  
RIG REPAIR IS 75% COMPLETED.  
SHOULD START RIG UP 1/3/08.

01-03-2008		Reported By		PINK CHIVERS							
Daily Costs: Drilling		\$17,042		Completion		\$0		Daily Total		\$17,042	
Cum Costs: Drilling		\$332,369		Completion		\$0		Well Total		\$332,369	
MD	2,525	TVD	2,525	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RIG REPAIR											
Start	End	Hrs	Activity Description								
06:00	18:00	12.0	RIG REPAIRS. ( REPAIR DOG HOUSE LANDING. & BRACES.)								
18:00	06:00	12.0	WAIT ON DAYLITE.								
			2 WELDERS WORK 10 HRS. 2 WELDERS SHORT.								
			FUEL5179 USED 565								
			NO ACCIDENTS OR INCIDENTS REPORTED.								
			3 CREWS 13 MEN WORKED 12 HR.								
			SAFTY MEETING. WEED BURNS.								
			START RIG UP TODAY.1/03/08								

01-04-2008		Reported By		PINK CHIVERS							
Daily Costs: Drilling		\$17,420		Completion		\$0		Daily Total		\$17,420	
Cum Costs: Drilling		\$349,789		Completion		\$0		Well Total		\$349,789	
MD	2,525	TVD	2,525	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RURT											
Start	End	Hrs	Activity Description								
06:00	09:00	3.0	RIG REPAIR. WELD ON DOG HOUSE STAND.								
09:00	18:00	9.0	TRUCKS ARRIVED @ 09:00, START RIG UP.								
18:00	06:00	12.0	SDFN.								
FUEL 4500 USED 679											
NO ACCIDENTS OR INCIDENTS REPORTED.											
3 CREWS; 13 MEN WORKED 12 HR.											
SAFETY MEETING WITH WESROCK TRUCKING. ICE & HEAVY LOADS.											
START RIG UP @ 09:00, 50% RIG UP.											
3 WELDERS: 2 WORKED 6 HRS, 1 WORKED 8 HRS											
3 TRUCKS ON RIG UP; 8 1/2 HRS.											

01-05-2008		Reported By		PINK CHIVERS							
Daily Costs: Drilling		\$17,469		Completion		\$0		Daily Total		\$17,469	
Cum Costs: Drilling		\$367,258		Completion		\$0		Well Total		\$367,258	
MD	2,525	TVD	2,525	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RIG UP											



Start	End	Hrs	Activity Description
06:00	18:00	12.0	RIG UP. 90% COMPLETED. RELEASE TRUCKS @ 10:30 1/4/08.
18:00	06:00	12.0	S.D.F.N.

FUEL4000 USED 500

NO ACCIDENTS OR INCIDENTS REPORTED.

3 CREWS 13 MEN WORKED 12 HR.

CREW SAFTY MEETING RAISING DERRICK.

2 HANDS WORKED 8 HR ON DRY WATCH.

SAFTY MEETING. WITH WESROCK TRUCKING. ICE &amp; HEAVY LOADS.

NOTIFY JAMIE SPARGER &amp; CLIFF JOHNSON WITH BLM ON B.O.P TEST. @ 12:00 1/5/08

01-06-2008 Reported By PINK CHIVERS

DailyCosts: Drilling	\$57,157	Completion	\$0	Daily Total	\$57,157
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Cum Costs: Drilling	\$424,415	Completion	\$0	Well Total	\$424,415
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MD	2,745	TVD	2,745	Progress	220	Days	1	MW	8.7	Visc	27.0
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Formation : PBTB : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	FINISH RIGGING UP.
10:00	12:00	2.0	NU/ND BOP. RIG ON DAY WORK @ 12:00 HRS, 1/5/08.
12:00	16:30	4.5	SAFTY MEETING. RIG UP B&C QUICK TEST, TEST BOP'S AS FOLLOWS. TESTER KEVIN CHAPWSE.: TESTED UPPER & LOWER KELLY VALVE, INSIDE BOP & SAFETY VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED PIPE RAMS & INSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED PIPE RAMS & OUTSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED PIPE RAMS, CHECK VALVE, CHOKE LINE, INSIDE MANIFOLD VALVES & UPRIGHT GAUGE VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TESTED BLIND RAMS, CHOKE LINE & MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED BLIND RAMS, CHOKE LINE & SUPERCHOKE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TESTED SURFACE CASING TO 1500 PSI FOR 30 MINUTES, RUN ACCUMULATOR TEST. OK. NO BLM REP WAS ON LOC TO WITNESS TEST.
16:30	17:00	0.5	SAFTY MEETING. R/U/P/U CREW.
17:00	20:00	3.0	P/U BHA
20:00	21:00	1.0	RIG DOWN CALIBER. ( HYDRAUC PUMP WENT DOWN ).
21:00	23:00	2.0	FINISH P/U DRILL STRING.
23:00	02:00	3.0	DRILL CEMENT/FLOAT EQUIP. ( TOP CMT 2415' ). & 10. NEW HOLE
02:00	03:00	1.0	CIRC BTM UP. SPOT HIGH VIS PILL. PREFORM. FIT TEST TO 11.0 EMW @ 425#. & SURVEY.
03:00	06:00	3.0	DRILL 8 3/4 HOLE F/ 2525' T/2745' 220' @ 73.3 FPH WOB 18 ROTARY 53. MOTOR 70 #1 PUMP 125 SPM. 428 GPM.

FUEL 3000 USED.1000

BOILER 24 HR.

CREW FULL 16 MEN WORK 12 HR.

NO ACCIDENTS OR INCIDENTS REPORTED.

SAFTY MEETING PRESSURE TESTING BOP #2 P/U BHA&amp; DRILL STRING.

FUCTION C.OM. W/ DRILL LINE.

FIT TEST 11# EMW, 425#.

BBG204 CONN 950.

LITHOLOGY 80% SHALE, 20% LIMESTONE  
MUD LOGER. JOE TISSAW 1 DAY ON LOCATION.  
WT 8.6 VIS 27

06:00 18.0 SPUD 7 7/8" HOLE @ 3:00 HRS, 1/6/08.

01-07-2008 Reported By PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$33,850	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,850
<b>Cum Costs: Drilling</b>	\$458,265	<b>Completion</b>	\$0	<b>Well Total</b>	\$458,265

<b>MD</b>	4,350	<b>TVD</b>	4,350	<b>Progress</b>	1,605	<b>Days</b>	2	<b>MW</b>	8.7	<b>Visc</b>	29.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRLG F/ 2745' T/ 3087' 342' @ 68.4 FPH. ROTARY 54 MOTOR 70. WOB 16/18. #1 PUMP 125 SPM. 438 GPM.
11:00	11:30	0.5	SERVICE RIG. FUCTION C-O-M & ANNULAR.
11:30	18:00	6.5	DRLG F/ 3087' T/ 3497' 410' @ 63 FPH. WOT 15/19 ROTARY 54. MOTOR 70. 438 GPM. TQ 275
18:00	18:30	0.5	SURVEY @3415' 1.58 DEG.
18:30	06:00	11.5	DRLG F/ 3497' T/ 4350' 853' @74.1 FPH. WOB 16/18 ROTARY 54. MOTOR 70. #1 PUMP 125 SPM. 428 GPM. TQ 250/325
			FUEL4900 USED.2100. REC 4000 GAL
			BOILER 24 HR.
			CREW FULL 12 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 CONNECTION #2AIR HOIST. DAYLITES BOP DRILL 1MIN 20 SEC.
			FUNCTION C.O.M. W/ DRILL LINE. FUNCTION PIPE RAM.
			LOST 50 BBL MUD LAST 24 HRS.
			BGG585. CONN 2646.
			LITHOLOGY 50% SANDSTONE 40% SHALE, 10% LIMESTONE.
			SHOW.
			2958'-3113, 3257'-3315' 3469'-3529' 3955'-3985'
			MUD LOGER. JOE TISSAW 2 DAY ON LOCATION.
			WT 9.1. VIS 32.
			WEATHER CLEAR 10 DEG

01-08-2008 Reported By PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$47,297	<b>Completion</b>	\$0	<b>Daily Total</b>	\$47,297
<b>Cum Costs: Drilling</b>	\$505,563	<b>Completion</b>	\$0	<b>Well Total</b>	\$505,563

<b>MD</b>	4,985	<b>TVD</b>	4,985	<b>Progress</b>	635	<b>Days</b>	3	<b>MW</b>	9.3	<b>Visc</b>	32.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 4985'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRLG F/ 4350' T/ 4500' 150 @ 100'FPH WOB 15/18 ROTARY 54 MOTOR 70. 348 GPM.
07:30	08:30	1.0	CIRC & SURVEY @ 4417' 1.29 DEG.
08:30	09:00	0.5	RIG SERVICE. FUCTION C.O.M & PIPE RAM.
09:00	21:00	12.0	DRLG F/ 4500' T/ 4903' 403' @ 34.4 FPH. WOB 15/25 ROTARY 54/ 60. MOTOR 70/ 74. GPM 437/462..
21:00	21:30	0.5	PUMP PILL. DROP SURVEY.

21:30 03:00 5.5 TRIP F/ BIT #2 DUE TO SLOW PR. L/D REAMERS. P/U NEW BIT.  
 03:00 04:00 1.0 WASH 90' BTM. NO FILL.  
 04:00 06:00 2.0 DRLG F/ 4903' T/4985'. 82' @ 42 FPH16,000 WOB. ROTARY 54. MOTOR 72. #1 PUMP 130 SPM. 455 GPM.  
 FUEL3000 USED.1900.  
 BOILER 24 HR.  
 CREW FULL 12 MEN WORK 12 HR.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFTY MEETING#1 TRIPPING #2 TONGS'  
 . MORNING TOUR. BOP DRILL 1MIN 20 SEC.  
 FUNCTION C.O.M. W/ DRILL LINE. FUNCTION PIPE RAM.& BLIND RAMS  
 FORMATION TOP.  
 WASATCH 5155'..  
 CHAPITA WELLS 5774'  
 BGG126. CONN 805 . TRIP 8040 @ 4903'  
 LITHOLOGY 20% SANDSTONE 60% SHALE, 20% LIMESTONE.  
 NO SHOW  
 MUD LOGER. JOE TISSAW 3 DAY ON LOCATION.  
 WT 9.4. VIS 34.  
 WEATHER CLEAR -8 BELOW DEG

06:00 18.0

<b>01-09-2008</b>	<b>Reported By</b>	PINK CHIVERS									
<b>Daily Costs: Drilling</b>	\$71,232	<b>Completion</b>	\$0	<b>Daily Total</b>	\$71,232						
<b>Cum Costs: Drilling</b>	\$576,796	<b>Completion</b>	\$0	<b>Well Total</b>	\$576,796						
<b>MD</b>	5,750	<b>TVD</b>	5,750	<b>Progress</b>	855	<b>Days</b>	4	<b>MW</b>	10.0	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING @ 5750'</b>											

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRLG 4985' - 5146'. 161' @29.3 FPH. WOB 12/17. ROTARY 55. MOTOR 73.WT 9.5+ VIS34.
11:30	12:00	0.5	RIG SERVICE. FUNCTION C.O.M. & KELLY- COCK VALVE.
12:00	06:00	18.0	DRLG 5146' - 5750'. 604' @ 33.5 FPH. WOB 16/19. ROTARY 55. MOTOR 73. TQ 75/175 FUEL 8700 USED 2300 REC 8000 GAL. BOILER 24 HR. CREW FULL 12 MEN WORK 12 HR. NO ACCIDENTS OR INCIDENTS REPORTED. SAFTY MEETING#1 SLIPS, TRIPS, & FALLS #2 PINCH POINTS FUNCTION C.O.M. W/ DRILL LINE. FUNCTION PIPE RAM.& BLIND RAMS FORMATION TOP. WASATCH 5155'.. CHAPITA WELLS 5774' BUCK CANYON 6464' BGG 141. CONN GAS 335 . LITHOLOGY 10% SANDSTONE 50% REDSHALE, 40% SH NO SHOW MUD LOGER. JOE TISSAW 4 DAY ON LOCATION. WT 9.5+. VIS 34.

01-10-2008 Reported By PINK CHIVERS

Daily Costs: Drilling \$32,700 Completion \$0 Daily Total \$32,700

Cum Costs: Drilling \$609,496 Completion \$0 Well Total \$609,496

MD 6,425 TVD 6,425 Progress 675 Days 5 MW 9.8 Visc 33.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
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06:00	11:00	5.0	DRLG F/ 5750' - 5930'. 180' @ 36 FPH. ROTARY 55. MOTOR 73 RPM. #1 PUMP 130SPM 455 GAL.
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11:00	11:30	0.5	SERVICE RIG. FUNCTION C-O-M & SUPER CHOKE.
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11:30	06:00	18.5	DRLG F/ 5930' T/ 6425' 495' @ 26.7 FPH. WOB 16/22 ROTARY 55. MOTOR 74. #1 PUMP 130 SPM 455 GPM. WT 9.9 VIS 35.
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FUEL 6500 USED. 2200

BOILER 24 HR.

CREW FULL.

NO ACCIDENTS OR INCIDENTS REPORTED.

SAFTY MEETING#1 POWER WASHER. #2 CLEAN GENERATOR HOUSE.

FUNCTION C.O.M. W/ DRILL LINE. FUNCTION SUPER CHOKE

FORMATION TOPS:

WASATCH. 5151'

CHAPITA WELLS 5718'

BUCK CANYON 6464'

BGG90. CONN 150.

LITHOLOGY 50% SANDSTONE 30% REDSHALE, 30% SH

SHOWS:

5713'—5731' 6242'—6262'

MUD LOGER. JOE TISSAW 5 DAY ON LOCATION.

WT 9.9+. VIS 35.

01-11-2008 Reported By PINK CHIVERS

Daily Costs: Drilling \$32,809 Completion \$0 Daily Total \$32,809

Cum Costs: Drilling \$642,305 Completion \$0 Well Total \$642,305

MD 6,920 TVD 6,920 Progress 495 Days 6 MW 9.9 Visc 38.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6920'

Start	End	Hrs	Activity Description
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06:00	11:30	5.5	DRLG F/ 6425' - 6535' = 110' @ 20'FPH ROTARY 55 MOTOR 73. #1 PUMP 130 SPM 455 GPM.
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11:30	13:30	2.0	PULLED 5 STD. REPLACE SWIVEL PACKING. RUN IN 5 STD.
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13:30	14:00	0.5	RIG SERVICE.
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14:00	06:00	16.0	DRLG F/ 6535' - 6920' 385' @ 24.FPH. WOB 20/25 ROTARY 55. MOTOR 73. 455 GPM. WT 9.9+ VIS 37.
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FUEL4500 USED. 2000

BOILER 24 HR.

CREW FULL 12 MEN WORK 12 HR.

NO ACCIDENTS OR INCIDENTS REPORTED.

SAFTY MEETING#1 P.P.E. #2 FORKLIFT SAFTY

WEATHER FOG 3 DEG  
 FUNCTION C.O.M. W/ DRILL LINE.  
 FORMATION TOP..  
 CHAPITA WELLS 5151.  
 BUCK CANYON 6426'  
 BGG.99 CONN 273  
 LITHOLOGY.SH 70%. RED SHALE 20%. SANDSTONE 10%  
 SHOWS. 6582'—6594'  
 MUD LOGER CHARLES DAVIS. 6 DAYS ON LOCATION.  
 WT.9.9+ 37 VIS

djf

<b>01-12-2008</b>	<b>Reported By</b>	PINK CHIVERS									
<b>Daily Costs: Drilling</b>	\$57,232	<b>Completion</b>	\$0	<b>Daily Total</b>	\$57,232						
<b>Cum Costs: Drilling</b>	\$701,213	<b>Completion</b>	\$0	<b>Well Total</b>	\$701,213						
<b>MD</b>	7,240	<b>TVD</b>	7,240	<b>Progress</b>	320	<b>Days</b>	7	<b>MW</b>	10.0	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: DRILLING @ 7240</b>											

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRLG F/ 6920' – 6925' 5' @5 FPH WOB. 20/28.ROTARY 55 MOTOR.73. 544GPM.
07:00	12:30	5.5	PUMP PILL. SURVEY. TRIP F/ BIT #3. P/U NEW MOTOR & BIT. TRIP IN T/ SHOE.FUNCTION BLIND RAMS.
12:30	13:30	1.0	SLIP & CUT DRILL LINE.
13:30	15:30	2.0	TRIP IN HOLE. FILL PIPE @ 4000'
15:30	16:00	0.5	WASH/REAM. 40' BTM.
16:00	16:30	0.5	DRLG F/ 6925' – 6934' . 9' @ 9' FPH WOB 18 FPH.
16:30	17:00	0.5	RIG SERVICE.
17:00	06:00	13.0	DRILL F/ 6934' – 7240' ( TIGHT @ 7160' ) 306' 23.5 FPH. WOB 16/20 ROTARY 55 MOTOR 73. #1 PUMP 130 SPM. 455 GPM.
			MUD WT 10.1 VIS.37.
			FUEL7200 USED.1800
			BOILER 24 HR.
			CREW FULL 12 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFETY MEETING#1 M.S.D.S. #2 TRIPPING
			FUNCTION C.O.M. W/ DRILL LINE..
			FORMATION TOP..
			CHAPITA WELLS 5151.
			BUCK CANYON 6426'
			NORTH HORN 7130'
			BGG.66 CONN 103
			LITHOLOGY.SH 700%. SANDSTONE 30%
			SHOWS.NO
			MUD LOGER CHARLES DAVIS. 7 DAYS ON LOCATION.

djf

01-13-2008      Reported By      PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$116,861	<b>Completion</b>	\$0	<b>Daily Total</b>	\$116,861
<b>Cum Costs: Drilling</b>	\$818,075	<b>Completion</b>	\$0	<b>Well Total</b>	\$818,075

**MD**      7,673      **TVD**      7,673      **Progress**      433      **Days**      8      **MW**      10.0      **Visc**      36.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING @ 7673'**

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRLG 7240' - 7437' . 197' @ 24.6 FPH. WOB 18/23 ROTARY 55. MOTOR 73. 455 GPM.
14:00	14:30	0.5	RIG SERVICE. FUNCTION C.O.M. & ANNULAR.
14:30	06:00	15.5	DRILLING 7437' - 7673' . 236' @ 15.2 FPH. WOB 20/27. ROTARY 53 MOTOR. 70. # 1 PUMP 125SPM. 437 GPM.
			MD WT 10.1 VIS 38.
			FUEL 5100    USED.2100
			BOILER 24 HR.
			CREW FULL 10 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 CHANGE TONG DIES #2 AIR HOIST..
			WEATHER CLEAR 0-DEG
			FUNCTION C.O.M. W/ DRILL LINE. & FUNCTION ANNULAR
			FORMATION TOP..
			CHAPITA WELLS 5151.
			BUCK CANYON 6426'
			NORTH HORN 7130'
			BGG.190 CONN 240
			LITHOLOGY.SH 70%. SANDSTONE 30%
			SHOWS.NO
			MUD LOGER CHARLES DAVIS. 8 DAYS ON LOCATION.
			WT.10.1 38 VIS

01-14-2008      Reported By      PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$29,663	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,663
<b>Cum Costs: Drilling</b>	\$852,820	<b>Completion</b>	\$0	<b>Well Total</b>	\$852,820

**MD**      8,064      **TVD**      8,064      **Progress**      391      **Days**      9      **MW**      10.1      **Visc**      38.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: TRIP F/ BIT # 4**

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG F/ 7673' - 7813' . 140' @ 21.5 FPH. WOB 18/15 ROTARY 53 MOTOR 70. #1 PUMP 125. 437 GPM. MUD WT 10.1 VIS 38.
12:30	13:00	0.5	RIG SERVICE. FUNCTION C.O.M. & PIPE RAMS.
13:00	03:00	14.0	DRILG F/ 7813' - 8064' . 251' @ 17.9 FPH. WOB 18/26 ROTARY 53. MOTOR 70. #1 PUMP 125 SPM. 437 GPM.
03:00	03:30	0.5	PUMP PILL. DROP SURVEY.
03:30	06:00	2.5	TRIP F/ BIT # 4.
			FUEL 3000    USED. 2100

BOILER 24 HR.  
 CREW FULL 10 MEN WORK 12 HR.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFTY MEETING#1 CHANGE MOVING DRILL PIPE. #2 PUMP REPAIRS..  
 WEATHER FOG. 0-DEG  
 FUNCTION C.O.M. W/ DRILL LINE. & PIPE RAMS. B.O.P DRILL 1 MIN 3 SEC.  
 FORMATION TOP..  
 CHAPITA WELLS 5151.  
 BUCK CANYON 6426'  
 NORTH HORN 7130'  
 PRICE RIVER 7817'  
 BGG.220 CONN 340  
 LITHOLOGY.SH 40%. SANDSTONE 50%.SILT 10%  
 SHOWS.7704'-7737' 7817'-7847' 7916'- 7931'  
 MUD LOGER CHARLES DAVIS. 9 DAYS ON LOCATION.  
 WT.10.1 38 VIS

djf

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**01-15-2008**      **Reported By**      PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$64,999	<b>Completion</b>	\$0	<b>Daily Total</b>	\$64,999
<b>Cum Costs: Drilling</b>	\$917,819	<b>Completion</b>	\$0	<b>Well Total</b>	\$917,819

**MD**      8,225      **TVD**      8,225      **Progress**      161      **Days**      10      **MW**      10.4      **Visc**      38.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING@ 8226**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	10:30	4.5	TRIP F/ BIT #4.FILL PIPE @4000' FUNCTION BLINDSRAMS.
10:30	11:00	0.5	WASH 95' BTM ( NO FILL ).
11:00	06:00	19.0	DRLG F/ 8064' - 8225' . 161' @ 8.8 FPH WOB 16/27.ROTARY 50/ 55. MOTOR.70/74. #1 PUMP 115/130 SPM.GPM 400/455
			FUEL 9100    USED.1900    REC. 8000 GAL DIESEL
			BOILER 24 HR.
			CREW FULL 10 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 TRIPING. #2 .FOG.
			WEATHER CLEAR. 2 DEG
			FUNCTION C.O.M. W/ DRILL LINE. & PIPE RAMS. B.O.P DRILL 1 MIN 3 SEC.
			FORMATION TOP..
			NORTH HORN 7130'
			PRICE RIVER 7817'
			BGG.200. CONN.360
			LITHOLOGY.SH 60%. SANDSTONE 30%.SILT 10%
			SHOWS.8100'-8113' . 8177'- 8183'
			MUD LOGER CHARLES DAVIS. 10 DAYS ON LOCATION.
			WT.10.3 38 VIS

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01-16-2008 Reported By PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$59,081	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,081
<b>Cum Costs: Drilling</b>	\$976,901	<b>Completion</b>	\$0	<b>Well Total</b>	\$976,901

<b>MD</b>	8,415	<b>TVD</b>	8,415	<b>Progress</b>	190	<b>Days</b>	11	<b>MW</b>	10.4	<b>Visc</b>	37.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRLG F/ 8225' T/ 8317' 92' @ 14.2 FPH. WOB 20/24. ROTARY 55. MOTOR 73. #1 PUMP 130 SPM. 455 GPM.
12:30	13:00	0.5	RIG SERVICE. FUNCTION PIPE RAM & SUPER CHOKE.
13:00	17:00	4.0	DRLG F/ 8317' T/ 8345' 28' @ 7 FPH. WOB 22/27. ROTARY 55. MOTOR 73. #1 PUMP 130 SPM 455.GPM.
17:00	00:00	7.0	PUMP PILL TRIP. F/ BIT #5. SET C.O.M F/ TRIP. P/U NEW BIT & MOTOR.
00:00	00:30	0.5	WASH 60' BTM 3' FILL.
00:30	06:00	5.5	DRLG 8345' T/ 8415' 70' @ 15.5 FPH WOB 14/22. ROTARY 55. MOTOR 73. #1 PUMP.130 SPM. 455 GPM.
			FUEL 7000 USED.2100
			BOILER 24 HR.
			CREW FULL 10 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 DRIVING TO & FROM WORK.. #2 TRIPPING.
			WEATHER CLEAR. -8 BELOW DEG
			FUNCTION C.O.M. W/ DRILL LINE. & BLIND RAMS.
			FORMATION TOP..
			NORTH HORN 7130'
			PRICE RIVER 7817'
			BGG.75. CONN.250. TRIP 2044
			LITHOLOGY.SH 60%. SANDSTONE 30%.SILT 10%
			SHOWS.8214'-8234'
			MUD LOGER CHARLES DAVIS. 11 DAYS ON LOCATION.
			WT.10.4 36 VIS

01-17-2008 Reported By PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$35,247	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,247
<b>Cum Costs: Drilling</b>	\$1,012,149	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,012,149

<b>MD</b>	8,755	<b>TVD</b>	8,755	<b>Progress</b>	340	<b>Days</b>	12	<b>MW</b>	10.7	<b>Visc</b>	35.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 8755'

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRLG F/ 8415' - 8536'. 121' @ 15.1 FPH. WOB 18/22. ROTARY 55. MOTOR 73. 455 GPM. WT 10.6 VIS 36.
14:00	14:30	0.5	RIG SERVICE. FUNCTION COM SAFTY VALVE & KELLY COCK.
14:30	06:00	15.5	DRLG F/ 8536' - 8755'. 219' @ 14.1 FPH. WOB 18/24. ROTARY 55. MOTOR 73. 455 GPM.
			FUEL 4500 USED.2500
			BOILER 24 HR.
			CREW FULL 10 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 LOCK OUT TAG OUT. #2 PIPE SPINNERS
			WEATHER CLEAR. -18 BELOW DEG



FUNCTION C.O.M. W/ DRILL LINE.

FORMATION TOPS:

NORTH HORN 7130'

PRICE RIVER 7817'

MIDDLE 8533'

BGG.180. CONN.260

LITHOLOGY.SH 50%. SANDSTONE 40%.SILT 10%

SHOWS.8427'—8450'

MUD LOGER CHARLES DAVIS. 12 DAYS ON LOCATION.

WT.10.7 37 VIS

<b>01-18-2008</b>	<b>Reported By</b>	<b>PINK CHIVERS</b>									
<b>Daily Costs: Drilling</b>	\$42,793	<b>Completion</b>	\$0	<b>Daily Total</b>	\$42,793						
<b>Cum Costs: Drilling</b>	\$1,054,942	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,054,942						
<b>MD</b>	8,775	<b>TVD</b>	8,775	<b>Progress</b>	20	<b>Days</b>	13	<b>MW</b>	10.7	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						
<b>Activity at Report Time: WASH &amp; REAM</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	10:00	4.0	DRLG F/ 8755' - 8775'. 20' @ 5 FPH. WOB 20/26 ROTARY 55 MOTOR 73.455 GPM.
10:00	10:30	0.5	PUMP PILL. DROP SURVEY.
10:30	16:00	5.5	TRIP F/ BIT #6. P/U NEW BIT & MOTOR. TRIP IN T/ 4000' FILL PIPE. ( S.L.M. 8776')
16:00	20:30	4.5	WASH/REAM. TIGHT HOLE & BRIDGES F/4100' T/5175'.
20:30	21:30	1.0	TRIP IN T/ 7750'
21:30	02:00	4.5	WASH/REAM F/ 7750' - 8500'
02:00	03:00	1.0	WORK TIGHT HOLE @ 8500'
03:00	06:00	3.0	WASH & REAM F/ 8500' - 8755'.

FUEL 2700 USED.1800

BOILER 24 HR.

CREW FULL 10 MEN WORK 12 HR.

NO ACCIDENTS OR INCIDENTS REPORTED.

SAFTY MEETING#1 FORKLIFT. #2 JARING

WEATHER CLEAR. -7 BELOW DEG

FUNCTION C.O.M. W/ DRILL LINE. FUNCTION BLIND RAM.

FORMATION TOP..

NORTH HORN 7130'

PRICE RIVER 7817'

MIDDLE PRICE RIVER. 8533'

BGG.280. CONN.350. TRIP 1129

LITHOLOGY.SH 50%. SANDSTONE 30%.SILT 20%

SHOWS.NO

MUD LOGER CHARLES DAVIS. 13 DAYS ON LOCATION.

WT.10.8 37 VIS

djf

01-19-2008      Reported By      PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$59,094	<b>Completion</b>	\$0	<b>Daily Total</b>	\$59,094
<b>Cum Costs: Drilling</b>	\$1,114,036	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,114,036

<b>MD</b>	9,020	<b>TVD</b>	9,020	<b>Progress</b>	245	<b>Days</b>	14	<b>MW</b>	10.8	<b>Visc</b>	40.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: TOH FOR BIT

Start	End	Hrs	Activity Description
06:00	07:00	1.0	WASH & REAM. 20' BTM.
07:00	14:00	7.0	DRLG F/ 8775' - 8881'. 106' @ 15.1 FPH. 18 WOB. ROTARY 55. MOTOR 73. 455 GPM. WT 10.9. VIS 37.
14:00	14:30	0.5	RIG SERVICE.FUNCTION. C.O.M . PIPE RAMS.
14:30	04:00	13.5	DRLG F/ 8881' - 9020'. 139' @10.3 fph WOB 18/24 ROTARY 55. MOTOR 73 #1 PUMP 130 SPM. 544 GPM.
04:00	05:00	1.0	CIRCULATE. MIX & PUMP PILL.
05:00	06:00	1.0	TRIP F/ BIT #7
			FUEL 8700 USED.1700 REC 8000 GAL @ \$ 3.25 PER GAL.
			BOILER 24 HR.
			CREW FULL 10 MEN WORK 12 HR.
			NO ACCIDENTS OR INCIDENTS REPORTED.
			SAFTY MEETING#1 STEAM. #2 ROTARY TQ.
			WEATHER CLEAR. -12 BELOW DEG
			FUNCTION C.O.M. W/ DRILL LINE. FUNCTION PIPE RAMS.
			FORMATION TOP.
			NORTH HORN 7130'
			PRICE RIVER7817'
			MIDDLEPRICE RIVER. 8533'
			BGG.900. CONN.1016.
			LITHOLOGY.SH 50%. SANDSTONE 40%.SILT 20%
			SHOWS.8790'-8812'. 8913'—8819'
			MUD LOGER CHARLES DAVIS. 14 DAYS ON LOCATION.
			WT.11.1 37 VIS.
			LOST 100 BBL MUD.

01-20-2008      Reported By      PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$50,544	<b>Completion</b>	\$0	<b>Daily Total</b>	\$50,544
<b>Cum Costs: Drilling</b>	\$1,164,580	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,164,580

<b>MD</b>	9,115	<b>TVD</b>	9,115	<b>Progress</b>	95	<b>Days</b>	15	<b>MW</b>	11.3	<b>Visc</b>	38.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 9115'

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP F/ BIT# 7. PULL 11 STD. 8100' TIGHTHOLE ON EVERY TOOL JT.HOLE NOT TAKING FLUID.
07:30	08:30	1.0	CIRC BTM UP. LOST 80 BBL MUD. MIX LCM. FULL RETURNS.
08:30	19:00	10.5	TRIP OUT SLOW DUE TO TIGHT HOLE.P/U NEW BIT & MOTOR. TRIP IN SLOW. FILL PIPE @ 4400' FUNCTION. COM. & BLIND RAMS.
19:00	20:30	1.5	WASH & REAM F/ 7800' - 7910'.
20:30	21:00	0.5	TRIP IN HOLE.
21:00	22:00	1.0	WASH & REAM 65' BTM.

22:00 06:00 8.0 DRILL F/ 9020' - 9115'. WOB 16/20. ROTARY 53. MOTOR 70. #1 PUMP 125 SPM. 437 GPM. WT 11.4 VIS 37.  
 FUEL 6900 USED.1800  
 BOILER 24 HR.  
 CREW FULL 10 MEN WORK 12 HR.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFTY MEETING#1 TRIPPING. #2 MIXING MUD.  
 WEATHER CLEAR. -3 DEG  
 FUNCTION C.O.M. W/ DRILL LINE. FUNCTION BLIND RAMS.  
 FORMATION TOPS:  
 NORTH HORN 7130'  
 PRICE RIVER 7817'  
 MIDDLEPRICE RIVER. 8533'  
 BGG.350. CONN.1050. TRIP GAS 894.  
 LITHOLOGY.SH 60%. SANDSTONE 30%.SILT 10%  
 SHOWS.9045' 9051'  
 MUD LOGER CHARLES DAVIS. 15 DAYS ON LOCATION.  
 WT.11.4 37 VIS.  
 LOST 125 BBL MUD. LAST 24 HRS.

01-21-2008 Reported By PINK CHIVERS

<b>Daily Costs: Drilling</b>	\$32,788	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,788
<b>Cum Costs: Drilling</b>	\$1,197,368	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,197,368

<b>MD</b>	9,525	<b>TVD</b>	9,525	<b>Progress</b>	410	<b>Days</b>	16	<b>MW</b>	11.3	<b>Visc</b>	37.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 9525'

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRLG F/ 9115' - 9258'. 143' @ 28.6 FPH. WOB 18/22. ROTARY 53. MOTOR 70. #1 PUMP 125 SPM.437 GPM. WT 11.4 VIS 37.
11:00	11:30	0.5	SERVICE RIG. FUNCTION C.O.M. & SUPER CHOKE.
11:30	06:00	18.5	DRLG F/ 9258' - 9525'. 267' @ 14.4 FPH WOB 20/24. ROTARY 53. MOTOR 70. # 1 PUMP 125 SPM. 437 GPM. WT 11.4 VIS38 FUEL 4900 USED.2000 BOILER 24 HR. CREW FULL 10 MEN WORK 12 HR. NO ACCIDENTS OR INCIDENTS REPORTED. SAFTY MEETING#1 SMOKE SHACK. #2 CONN. WEATHER CLEAR. 1 DEG FUNCTION C.O.M. W/ DRILL LINE. FUNCTION FORMATION TOPS: NORTH HORN 7130' PRICE RIVER 7817' MIDDLEPRICE RIVER. 8533' LOWER PRICE RIVER. 9400' BGG.900. CONN.1600. LITHOLOGY.SH 40%. SANDSTONE 50%.SILT 10% SHOWS.9107'-9153. 9334'---9378'. 9400'---9411' 9470'---9492'

MUD LOGER CHARLES DAVIS. 16 DAYS ON LOCATION.

MUD WT:11.4 38 VIS.

<b>01-22-2008</b>	<b>Reported By</b>	PINK CHIVERS									
<b>Daily Costs: Drilling</b>	\$47,503	<b>Completion</b>	\$0	<b>Daily Total</b>	\$47,503						
<b>Cum Costs: Drilling</b>	\$1,244,871	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,244,871						
<b>MD</b>	9,735	<b>TVD</b>	9,735	<b>Progress</b>	210	<b>Days</b>	17	<b>MW</b>	11.3	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: TOH FOR BIT

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRLG F/ 9525' T/ 9607' - 82' @ 13.6 FPH WOB 20/24. ROTARY 53. MOTOR 70. # 1 PUMP 125 SPM. 437 GPM. WT 11.4 VIS38.( TIGHT CONN @ 9580')
12:00	12:30	0.5	RIG SERVICE.
12:30	00:30	12.0	DRLG F/ 9607' T/9735' -128' @ 10.7 FPH. WOB 20/24 ROTARY 50. MOTOR 67. #1 PUMP 120 SPM.420 GPM.WT VIS. SLOWED PUMP DOWN.( DUE TO FLUID LOSS.) SLOW PUMP T/ 110.SPM( 2550 SPP. (PLUG JETS) LOST 225 BBL MUD. WT 11.6 VIS 38
00:30	01:00	0.5	CIRC. MIX PILL.
01:00	01:30	0.5	PUMP PILL. DROP SURVEY.
01:30	03:30	2.0	TRIP OUT. HOLE NOT TAKING FLUID. ( TIGHT FIRST 7 STD.)
03:30	05:00	1.5	CIRC BTM UP. 4150 UNIT GAS.
05:00	06:00	1.0	PUMP PILL. TRIP OUT HOLE.
FUEL 6900 USED.2000 REC 4000 GAL			
BOILER 24 HR.			
CREW FULL 10 MEN WORK 12 HR.			
NO ACCIDENTS OR INCIDENTS REPORTED.			
SAFTY MEETING#1 LOSS CIRC. #2 TRIPING.			
WEATHER CLEAR. -7 BELOW DEG			
FUNCTION C.O.M. W/ DRILL LINE. FUNCTION KELLY COCK.			
FORMATION TOP..			
NORTH HORN 7130'			
PRICE RIVER7817'			
MIDDLEPRICE RIVER. 8533'			
LOWER PRICE RIVER.9400'			
BGG.900. CONN.1600. DOWN TIME. 4150 UNITS			
LITHOLOGY.SH 65%. SANDSTONE 30%.SILT 5%			
SHOWS.9470'-9537'. 9636'—9656'			
MUD LOGER CHARLES DAVIS. 17 DAYS ON LOCATION.			
WT.11.6 38 VIS.			

<b>01-23-2008</b>	<b>Reported By</b>	PINK CHIVERS									
<b>Daily Costs: Drilling</b>	\$52,874	<b>Completion</b>	\$0	<b>Daily Total</b>	\$52,874						
<b>Cum Costs: Drilling</b>	\$1,297,746	<b>Completion</b>	\$0	<b>Well Total</b>	\$1,297,746						
<b>MD</b>	9,905	<b>TVD</b>	9,905	<b>Progress</b>	170	<b>Days</b>	18	<b>MW</b>	11.9	<b>Visc</b>	40.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING @ 9905'

Start	End	Hrs	Activity Description
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06:00 12:00 6.0 TRIP FOR BIT # 8. P/U NEW BIT & MOTOR. FUNCTION BLIND RAMS. TRIP ON TO SHOE.  
 12:00 12:30 0.5 SLIP & CUT DRILL LINE.  
 12:30 13:00 0.5 SERVICE RIG.  
 13:00 16:30 3.5 TRIP IN HOLE. FILL PIPE @ 4800'.  
 16:30 19:30 3.0 REAM 120' BTM.  
 19:30 06:00 10.5 DRLG 9735' - 9905', 170' @ 16.2 FPH. WOB 15/17 ROTARY 50 MOTOR 65. #1 PUMP 115 SPM. 402 GPM. PP 2275.  
 ( PLUG JET). WT 11.7 VIS 38.

FUEL 5000 USED.1900

BOILER 24 HR.

CREW FULL 10 MEN WORK 12 HR.

NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETING#1 BOILER & STEAM. #2 PPE.

WEATHER CLEAR. -11 BELOW

FUNCTION COM. W/DRILL LINE. FUNCTION BLIND RAMS.

FORMATION TOP: NORTH HORN 7130', PRICE RIVER 7817', MIDDLE PRICE RIVER. 8533', LOWER PRICE RIVER 9400'

BGG 2800. CONN 1600. TRIP GAS 6283.

LITHOLOGY: SS 45%. CARBSH 50%. SILT 5%

SHOWS. 9753'-9763', 9809'—9842'

MUD LOGGER CHARLES DAVIS. 18 DAYS ON LOCATION.

MUD WT 11.7, 38 VIS.

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01-24-2008			Reported By		PINK CHIVERS											
Daily Costs: Drilling			\$61,474		Completion		\$0		Daily Total		\$61,474					
Cum Costs: Drilling			\$1,359,221		Completion		\$0		Well Total		\$1,359,221					
MD		10,140	TVD		10,140	Progress		235	Days		19	MW	11.7	Visc		42.0
Formation :			PBTD : 0.0					Perf :			PKR Depth : 0.0					
Activity at Report Time: PREP TO RUN PROD. CASING																
Start		End		Hrs		Activity Description										
06:00		10:30		4.5		DRLG 9905' – 10052', 147' @ 32.7 FPH. WOB 15/18. ROTARY 50 MOTOR 64. #1 PUMP 115 SPM. 402 GPM. WT 11.8 VIS 40. (PLUG JET).										
10:30		11:00		0.5		SERVICE RIG. FUNCTION ANNULAR.										
11:00		14:30		3.5		DRLF 10052' – 10140', 88' @ 25.1 FPH. WOB 16/18 ROTARY 50. MOTOR 64. 115 SPM 402 GPM. WT 11.8 VIS 40. REACHED TD ON 1/23/08 @ 14:30.										
14:30		16:00		1.5		CIRC BTM UP.										
16:00		16:30		0.5		SHORT TRIP, 20 STD.										
16:30		17:00		0.5		FLOW CHECK. NO FLOW.										
17:00		18:00		1.0		TRIP TO BTM.										
18:00		20:00		2.0		CIRC. BUILD 300 BBL 13# PILL. R/U L/D CREW. SAFETY MEETING.										
20:00		21:00		1.0		PUMP 300 BBL 13# PILL. SURVEY. CSG POINT 1/23/08 @ 21:00 HRS.										
21:00		05:30		8.5		L/D DRILL STRING.										

05:30 06:00 0.5 PULL WEAR BUSHING. PREP TO RUN CASING.

FUEL 5100, USED.1900, REC 2000 GAL.  
 BOILER 24 HR.  
 CREW FULL 10 MEN WORK 12 HR.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETING#1 BREAKING IN NEW PIPE. #2 L/D DRILL PIPE  
 WEATHER FOG. -3 BELOW  
 FUNCTION COM W/DRILL LINE. FUNCTION ANNULAR.

FORMATION TOP:  
 NORTH HORN 7130'  
 PRICE RIVER 7817'  
 MIDDLE PRICE RIVER 8533'  
 LOWER PRICE RIVER 9400'  
 SEGO 9976'

BGG 2800, CONN 1600, TRIP GAS 6258.  
 LITHOLOGY: SH 60%, CARBSH 35%, SILT 5%  
 SHOWS: 9911'-9928', 9941'-9961', 9976'-10140

MUD LOGGER: CHARLES DAVIS. 19 DAYS ON LOCATION.  
 WT 11, 38 VIS.

djf

01-25-2008		Reported By		PINK CHIVERS							
Daily Costs: Drilling		\$31,770		Completion		\$245,126		Daily Total		\$276,896	
Cum Costs: Drilling		\$1,390,991		Completion		\$245,126		Well Total		\$1,636,117	
MD	10,140	TVD	10,140	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: RDRT/NO COMPLETION											
Start	End	Hrs	Activity Description								
06:00	07:00	1.0	R/U CSG CREW. HELD SAFETY MEETING.								
07:00	14:00	7.0	RUN 243 FULL JTS + (2 MARKER) . SHOE @ 10,139', FLOAT @ 10,097'. MARKERS @ (9.01')@6877' & (21.83') @ 4852'. 30 CENT ON MIDDLE OF FIRST JT THEN ON EVERY 3 JT.								
14:00	16:00	2.0	CIRC. WASH. COULD NOT WASH DOWN. L/D 1 JT. L/D CSG CREW.								
16:00	17:00	1.0	R/D CSG. R/U SCHLUMBERGER. CMT. SAFETY MEETING.								
17:00	21:30	4.5	R/U SCHLUMBERGER. TEST LINES TO 5000 PSI. PUMP 20 BBLs CHEMICAL WASH AND 20 BBLs WATER SPACER. MIXED AND PUMPED 1410 SKS 35:65 POZ G + ADDITIVES (YIELD 1.75) AT 13 PPG WITH 9.1 GPS, H2O 13 PPG. MIXED AND PUMPED TAIL 2185 SKS 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.96 GPS H2O. DISPLACED TO FLOAT COLLAR WITH 154 BBL WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. FULL RETURNS UNTIL DROP PLUG, THEN NO RETURNS ON DISPLACEMENT. FINAL PUMP PRESSURE 2983 PSI AT 1.9 BPM. BUMPED PLUG TO 3859 PSI. BLEED OFF PRESSURE, FLOATS HELD. RD SCHLUMBERGER.								
21:30	22:00	0.5	R/D SCHLUMBERGER.								

22:00 02:00 4.0 RETRIEVE DOT RUNNING TOOL. PACK OFF HEAD & TEST TO 5000#.  
 02:00 06:00 4.0 CLEAN MUD TANKS. RDRT.

FUEL 3800, USED 1300.  
 BOILER 24 HR.  
 CREW FULL 10 MEN WORK 12 HR.  
 NO ACCIDENTS OR INCIDENTS REPORTED.  
 SAFETY MEETING#1 RUN CSG, #2 CEMENTING  
 WEATHER FOG. -0 BELOW  
 FUNCTION C.O.M. W/DRILL LINE. FUNCTION ANNULAR.

MUD LOGGER CHARLES DAVIS. 19 DAYS ON LOCATION.  
 WILL MOVE MIMIE CAMP TODAY. TRUCK FOR 1/26/08. 2.1 MILE MOVE ONE WAY.  
 TRANSFER T/ CWU 1183-10. 3800 GAL FUEL. @ \$ 3.49 .  
 (9) JTS. 4 1/2 HC P-110 =11.6# CSG. TOTAL.374.25 THREADS OFF.  
 (2 ) M J 4 1/2 HC P-110 = 11.6 CSG. TOTAL.43.99 THREADS OFF.

06:00 18.0 RIG RELEASE @ 0600, 1/25/08  
 CASING POINT COST \$1,390,992

<b>01-30-2008</b>		<b>Reported By</b>		SEARLE	
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$46,161	<b>Daily Total</b>	\$46,161
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$291,287	<b>Well Total</b>	\$1,682,278
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
				<b>Days</b>	21
<b>Formation :</b>		<b>PBTD :</b>	10098.0	<b>Perf :</b>	
				<b>PKR Depth :</b>	0.0
<b>Activity at Report Time:</b> PREP FOR FRACS					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00		18.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 260'. EST CEMENT TOP @ 680'. RD SCHLUMBERGER.		

<b>02-11-2008</b>		<b>Reported By</b>		SEARLE	
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$750	<b>Daily Total</b>	\$750
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$292,037	<b>Well Total</b>	\$1,683,028
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
				<b>Days</b>	22
<b>Formation :</b>		<b>PBTD :</b>	10098.0	<b>Perf :</b>	
				<b>PKR Depth :</b>	0.0
<b>Activity at Report Time:</b> PREP FOR FRACS					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00		18.0	NU 10M FRAC TREE. PRESSURE TEST TO 8500 PSIG. BLEED OFF PRESSURE. SWI.		

<b>02-19-2008</b>		<b>Reported By</b>		SEARLE	
<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$292,037	<b>Well Total</b>	\$1,683,028
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
				<b>Days</b>	23
<b>Formation :</b>	MESAVERDE	<b>PBTD :</b>	10098.0	<b>Perf :</b>	8849-9932
				<b>PKR Depth :</b>	0.0
<b>Activity at Report Time:</b> FRAC					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		

06:00 06:00 24.0 RU CUTTERS WL. PERFORATED LPR FROM 9645'-46', 9707'-08', 9732'-33', 9766'-67', 9805'-06', 9820'-21', 9827'-28', 9836'-37', 9870'-71', 9887'-88', 9923'-24' & 9931'-32' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7000 GAL YF116ST+ PAD, 36911 GAL YF116ST+ W/106300# 20/40 SAND @ 1-5 PPG. MTP 7463 PSIG. MTR 50.5 BPM. ATP 5499 PSIG. ATR 45.7 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9590'. PERFORATED MPR FROM 9296'-97', 9302'-03', 9363'-64', 9396'-97', 9404'-05', 9425'-26', 9432'-33', 9451'-52', 9469'-70', 9476'-77', 9510'-11' & 9560'-61' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4158 GAL YF116ST+ PAD, 37670 GAL YF116ST+ W/107200# 20/40 SAND @ 1-5 PPG. MTP 7483 PSIG. MTR 51.3 BPM. ATP 6037 PSIG. ATR 45.2 BPM. ISIP 3380 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9245'. PERFORATED MPR FROM 9077'-78', 9084'-85', 9092'-93', 9109'-10', 9122'-23', 9138'-39', 9152'-53', 9162'-63', 9166'-67', 9193'-94', 9206'-07' & 9229'-30' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4141 GAL YF116ST+ PAD, 44844 GAL YF116ST+ W/128300# 20/40 SAND @ 1-5 PPG. MTP 7885 PSIG. MTR 51.3 BPM. ATP 6159 PSIG. ATR 46.9 BPM. ISIP 3900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9050'. PERFORATED MPR FROM 8849'-50', 8857'-58', 8876'-77', 8902'-03', 8913'-14', 8922'-23', 8968'-69', 8979'-80', 8990'-91', 9005'-06', 9013'-14' & 9025'-26' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4149 GAL YF116ST+ PAD, 39523 GAL YF116ST+ W/112700# 20/40 SAND @ 1-5 PPG. MTP 7557 PSIG. MTR 50.7 BPM. ATP 5541 PSIG. ATR 46.3 BPM. ISIP 2720 PSIG. RD SCHLUMBERGER. SDFN.

02-20-2008		Reported By		MCCURDY							
Daily Costs: Drilling		\$0		Completion		\$1,936		Daily Total		\$1,936	
Cum Costs: Drilling		\$1,390,991		Completion		\$293,973		Well Total		\$1,684,964	
MD	10,140	TVD	10,140	Progress	0	Days	24	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBDT : 10098.0			Perf : 8849-9932			PKR Depth : 0.0		
Activity at Report Time: FRAC. WO SCHLUMBERGER REPAIRS.											
Start	End	Hrs	Activity Description								
06:00	12:00	6.0	SD. SCHLUMBERGER GEL UNIT & BLENDER DOWN FOR REPAIRS.								

02-21-2008		Reported By		MCCURDY							
Daily Costs: Drilling		\$0		Completion		\$313,926		Daily Total		\$313,926	
Cum Costs: Drilling		\$1,390,991		Completion		\$607,899		Well Total		\$1,998,890	
MD	10,140	TVD	10,140	Progress	0	Days	25	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBDT : 10098.0			Perf : 7829'-9932'			PKR Depth : 0.0		
Activity at Report Time: PREP TO MIIRSU											
Start	End	Hrs	Activity Description								
06:00	08:00	2.0	SICP 2090 PSIG. RUWL. SET 10K CFP AT 8820'. PERFORATED MPR FROM 8571'-72', 8611'-12', 8632'-33', 8662'-63', 8666'-67', 8710'-11', 8716'-17' (MISFIRE), 8745'-46', 8759'-60', 8765'-66' (MISFIRE), 8777'-78' & 8801'-02' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4166 GAL YF116ST+ PAD, 33554 GAL YF116ST+ W/89200# 20/40 SAND @ 1-4 PPG. MTP 6969 PSIG. MTR 49.6 BPM. ATP 5478 PSIG. ATR 44.5 BPM. ISIP 3260 PSIG. RD SCHLUMBERGER.								

RUWL. SET 10K CFP AT 8465'. PERFORATED UPR FROM 8223'-24', 8231'-32', 8243'-44', 8285'-86', 8357'-59', 8374'-75', 8386'-87', 8418'-19', 8433'-34', 8441'-42' & 8444'-45' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4155 GAL YF116ST+ PAD, 41310 GAL YF116ST+ W/117200# 20/40 SAND @ 1-5 PPG. MTP 8216 PSIG. MTR 49.6 BPM. ATP 5464 PSIG. ATR 44 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.



RUWL. SET 10K CFP AT 8140'. PERFORATED UPR FROM 7829'-30', 7839'-41', 7857'-58', 7909'-10', 7926'-28', 7946'-47', 7997'-98', 8043'-44', 8081'-82' & 8109'-10' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4150 GAL YF116ST+ PAD, 40059 GAL YF116ST+ W/111800# 20/40 SAND @ 1-5 PPG. MTP 5200 PSIG. MTR 50.5 BPM. ATP 4250 PSIG. ATR 47.5 BPM. ISIP 2210 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7720'. BLEED OFF PRESSURE. RDWL. SDFN.

02-22-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$27,489		Daily Total		\$27,489	
Cum Costs: Drilling		\$1,390,991		Completion		\$635,388		Well Total		\$2,026,379	
MD	10,140	TVD	10,140	Progress	0	Days	26	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10098.0			Perf : 7829'-9932'			PKR Depth : 0.0		
Activity at Report Time: PREP TO MIRUSU											
Start	End	Hrs	Activity Description								
07:00	17:30	10.5	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/MILL & PUMP OFF BIT SUB TO TAG @ 7720'. SDFN.								

02-23-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$13,733		Daily Total		\$13,733	
Cum Costs: Drilling		\$1,390,991		Completion		\$649,121		Well Total		\$2,040,112	
MD	10,140	TVD	10,140	Progress	0	Days	27	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10098.0			Perf : 7829'-9932'			PKR Depth : 0.0		
Activity at Report Time: RDMOSU. FLOW TEST.											
Start	End	Hrs	Activity Description								
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7720', 8140', 8465', 8820', 9050', 9245' & 9590'. RIH. CLEANED OUT TO PBTD @ 9995'. LANDED TBG AT 8498.85' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

TUBING DETAIL: LENGTH:

PUMP OFF SUB 1.00'

1 JT 2-3/8 4.7# N-80 TBG 32.34'

XN NIPPLE 1.30'

262 JTS 2-3/8 4.7# N-80 TBG 8447.61'

2 3/8 N-80 NIPPLE & COUPLING 0.60"

BELOW KB 17.00'

LANDED @ 8498.85' KB

FLOWED 12 HRS. 16/64" CHOKE. FTP 1600 PSIG, CP 1600 PSIG. 60 BFPH. RECOVERED 665 BBLS, 7723 BLWTR.

02-24-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$2,740		Daily Total		\$2,740	
Cum Costs: Drilling		\$1,390,991		Completion		\$651,861		Well Total		\$2,042,852	
MD	10,140	TVD	10,140	Progress	0	Days	28	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10098.0			Perf : 7829'-9932'			PKR Depth : 0.0		
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								

06:00 06:00 24.0 FLOWED 24 HRS. 16/64" CHOKE. FTP 1600 PSIG. CP 1600 PSIG. 45 BFPH. RECOVERED 1069 BLW. 6654 BLWTR.

**02-25-2008**      **Reported By**      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,740	<b>Daily Total</b>	\$2,740
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$654,601	<b>Well Total</b>	\$2,045,592
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
<b>Days</b>	29	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 10098.0</b>		<b>Perf : 7829'-9932'</b>	
<b>PKR Depth : 0.0</b>					

**Activity at Report Time: FLOW TEST**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 24 HRS. 16/64 CHOKE. FTP- 1480 PSIG, CP- 2000 PSIG. 33 BFPH. RECOVERED 801 BBLS, 5853 BLWTR.

**02-26-2008**      **Reported By**      BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,740	<b>Daily Total</b>	\$2,740
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$657,341	<b>Well Total</b>	\$2,048,332
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
<b>Days</b>	30	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 10098.0</b>		<b>Perf : 7829'-9932'</b>	
<b>PKR Depth : 0.0</b>					

**Activity at Report Time: FLOW TEST**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1440 PSIG. CP 2620 PSIG. 25 BFPH. RECOVERED 612 BLW. 5241 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 2/25/08

**03-11-2008**      **Reported By**      DUANE COOK

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$1,390,991	<b>Completion</b>	\$657,341	<b>Well Total</b>	\$2,048,332
<b>MD</b>	10,140	<b>TVD</b>	10,140	<b>Progress</b>	0
<b>Days</b>	31	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 10098.0</b>		<b>Perf : 7829'-9932'</b>	
<b>PKR Depth : 0.0</b>					

**Activity at Report Time: INITIAL PRODUCTION**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 2800 & CP 3600 PSI. TURNED WELL TO QUESTAR SALES AT 10:30 AM, 3/10/08. FLOWED 1283 MCFD RATE ON 12/64" POS CHOKE. STATIC 287.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			5. Lease Serial No. UTU0281		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			6. If Indian, Allottee or Tribe Name		
2. Name of Operator EOG RESOURCES, INC.			7. Unit or CA Agreement Name and No. CHAPITA WELLS UNI		
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com			8. Lease Name and Well No. CHAPITA WELLS UNIT 1177-03		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			9. API Well No. 43-047-37834		
3a. Phone No. (include area code) Ph: 303-824-5526			10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface Lot 4 695FNL 736FWL 40.07036 N Lat, 109.43297 W Lon At top prod interval reported below Lot 4 695FNL 736FWL 40.07036 N Lat, 109.43297 W Lon At total depth Lot 4 695FNL 736FWL 40.07036 N Lat, 109.43297 W Lon			11. Sec., T., R., M., or Block and Survey or Area Sec 3 T9S R22E Mer SLB		
14. Date Spudded 11/23/2007			15. Date T.D. Reached 01/23/2008		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 03/10/2008			17. Elevations (DF, KB, RT, GL)* 4797 GL		
18. Total Depth: MD TVD 10140			19. Plug Back T.D.: MD TVD 10098		
20. Depth Bridge Plug Set: MD TVD			21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/ <del>MD</del> /GR		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)					

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2525		680			
7.875	4.500 P-110	11.6	0	10139		3595			

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	8499							

## 25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7829	9932	9645 TO 9932		3	
B)			9296 TO 9561		3	
C)			9077 TO 9230		3	
D)			8849 TO 9026		3	

## 26. Perforation Record

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
9645 TO 9932	44,076 GALS GELLED WATER & 106,300# 20/40 SAND
9296 TO 9561	41,993 GALS GELLED WATER & 107,200# 20/40 SAND
9077 TO 9230	49,150 GALS GELLED WATER & 128,300# 20/40 SAND
8849 TO 9026	43,837 GALS GELLED WATER & 112,700# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/10/2008	03/17/2008	24	→	57.0	640.0	178.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	1550	2625.0	→	57	640	178		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #59427 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

RECEIVED  
APR 07 2008  
DIV. OF OIL, GAS & MINING

## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

29. Disposition of Gas(*Sold, used for fuel, vented, etc.*)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	7829	9932		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	2138 2759 4977 5145 5756 6424 7819 8629

## 32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

## 33. Circle enclosed attachments:

- |                                                       |                    |               |                       |
|-------------------------------------------------------|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7 Other:      |                       |

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #59427 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTASTitle REGULATORY ASSISTANT

Signature


Date 04/03/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

**Chapita Wells Unit 1177-03 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8571-8802	3/spf
8223-8445	3/spf
7829-8110	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

8571-8802	37,885 GALS GELLED WATER & 89,200# 20/40 SAND
8223-8445	45,630 GALS GELLED WATER & 117,200# 20/40 SAND
7829-8110	44,374 GALS GELLED WATER & 111,800# 20/40 SAND

Perforated the Lower Price River from 9645-46', 9707-08', 9732-33', 9766-67', 9805-06', 9820-21', 9827-28', 9836-37', 9870-71', 9887-88', 9923-24' & 9931-32' w/ 3 spf.

Perforated the Middle Price River from 9296-97', 9302-03', 9363-64', 9396-97', 9404-05', 9425-26', 9432-33', 9451-52', 9469-70', 9476-77', 9510-11' & 9560-61' w/ 3 spf.

Perforated the Middle Price River from 9077-78', 9084-85', 9092-93', 9109-10', 9122-23', 9138-39', 9152-53', 9162-63', 9166-67', 9193-94', 9206-07' & 9229-30' w/ 3 spf.

Perforated the Middle Price River from 8849-50', 8857-58', 8876-77', 8902-03', 8913-14', 8922-23', 8968-69', 8979-80', 8990-91', 9005-06', 9013-14' & 9025-26' w/ 3 spf.

Perforated the Middle Price River from 8571-72', 8611-12', 8632-33', 8662-63', 8666-67', 8710-11', 8745-46', 8759-60', 8777-78' & 8801-02' w/ 3 spf.

Perforated the Upper Price River from 8223-24', 8231-32', 8243-44', 8285-86', 8357-59', 8374-75', 8386-87', 8418-19', 8433-34', 8441-42' & 8444-45' w/ 3 spf.

Perforated the Upper Price River from 7829-30', 7839-41', 7857-58', 7909-10', 7926-28', 7946-47', 7997-98', 8043-44', 8081-82' & 8109-10' w/ 3 spf.

**52. FORMATION (LOG) MARKERS**

Lower Price River	9473
Sego	9984

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

**REPORT OF WATER ENCOUNTERED DURING DRILLING**

Well name and number: CWU 1177-03

API number: 4304737834

Well Location: QQ LOT4 Section 3 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: PRO PETRO

Address: PO BOX 870

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO WATER	

Formation tops: (Top to Bottom)

1		2		3	
4		5		6	
7		8		9	
10		11		12	

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 4/4/2008



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155



IN REPLY REFER TO  
3180  
UT-922

JUL 16 2008

EOG Resources, Inc.  
Attn: Debbie Spears  
600 Seventeenth Street  
Suite 1000N  
Denver, Colorado 80202

Re: Consolidated Mesaverde Formation PA  
"A-X,AA-BB" Chapita Wells Unit  
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, CRS No. UTU63013BD, AFS No. 892000905B, is hereby approved effective as of June 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Consolidated Mesaverde Formation PA "A-X,AA-BB" results in an initial consolidated participating area of 15,177.63 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

*To 13650*

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU1171-03	43-047-37695	NE $\frac{1}{4}$ SW $\frac{1}{4}$ , 3-9S-22E	UTU0281
CWU1172-03	43-047-37838	NE $\frac{1}{4}$ SE $\frac{1}{4}$ , 3-9S-22E	UTU0281

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, and the effective date.

*also 15  
14 wells from entity  
14406*

*CWU 1177-3  
43047 37834 03-09S-22E*

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond  
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37697	CHAPITA WELLS UNIT 1175-02	SENW	2	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	14406	13650	12/6/2006	6/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37834	CHAPITA WELLS UNIT 1177-03	NWNW	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	14406	13650	11/23/2007	6/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37985	CHAPITA WELLS UNIT 1220-02	NESE	2	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	14406	13650	1/19/2007	6/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

8/21/2008

Title

Date

(5/2000)

**RECEIVED**

**AUG 21 2008**

**DIV. OF OIL, GAS & MINING**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.  
UTU0281

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.  
CHAPITA WELLS UNIT 1177-032. Name of Operator  
EOG RESOURCES, INC.Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM9. API Well No.  
43-047-378343a. Address  
1060 E. HWY 40  
VERNAL, UT 840783b. Phone No. (include area code)  
Ph: 453-781-914510. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 3 T9S R22E NWNW 695FNL 736FWL  
40.07036 N Lat, 109.43297 W Lon11. County or Parish, and State  
UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 6/30/2008.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #66981 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature



Date 02/04/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED****RECEIVED****FEB 09 2009****DIV. OF OIL, GAS & MINING**

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-0281
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> CWU 1177-3
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0695 FNL 0736 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNW Section: 03 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047378340000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 6/30/2008	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input checked="" type="checkbox"/> <b>OTHER</b>	
	<b>OTHER:</b> Pit Closure	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The reserve pit on the referenced location was closed on 6/30/2008 as per the APD procedure.		
<b>Accepted by the Utah Division of Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> June 11, 2009		
<b>NAME (PLEASE PRINT)</b> Kaylene Gardner	<b>PHONE NUMBER</b> 435 781-9111	<b>TITLE</b> Regulatory Administrator
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/10/2009	